

AGENDA
REGULAR MEETING OF COUNCIL
November 26, 2018
6:00 PM

1. ROLL CALL
2. READING OF MINUTES
3. REPORTS & COMMUNICATIONS FROM MAYOR & HEADS OF DEPARTMENTS AND INTERESTED PARTIES AND CITY CLERK'S NOTES:
 - 3.A MINUTES OF THE SCRANTON MUNICIPAL RECREATION AUTHORITY BOARD MEETING HELD OCTOBER 1, 2018.

[Minutes of the Scranton Municipal Recreation Board Meeting held 10-1-18.pdf](#)
 - 3.B AGENDA FOR THE CITY PLANNING COMMISSION MEETING TO BE HELD NOVEMBER 28, 2018.

[Agenda for City Planning Commission Meeting 11-28-18.pdf](#)
 - 3.C MINUTES OF THE SCRANTON FIREFIGHTERS PENSION COMMISSION MEETING HELD SEPTEMBER 19, 2018.

[Firefighters Pension Commission Meetings 9-19-18 and 10-17-18.pdf](#)
 - 3.D MINUTES OF THE NON-UNIFORM MUNICIPAL PENSION BOARD MEETINGS HELD OCTOBER 17 AND OCTOBER 24, 2018.

[Non-Uniform Municipal Pension Board Minutes 10-17-18 and 10-24-18.pdf](#)

- 3.E MINUTES OF THE SCRANTON POLICE PENSION COMMISSION MEETING HELD OCTOBER 17, 2018.

[Scranton Police Pension Commission Meeting 10-17-18.pdf](#)

- 3.F MINUTES OF THE COMPOSITE PENSION BOARD MEETING HELD OCTOBER 17, 2018.

[Composite Pension Board Minutes 10-17-18.pdf](#)

- 3.G AGENDA FOR THE NON-UNIFORM MUNICIPAL PENSION BOARD MEETING HELD NOVEMBER 21, 2018.

[Agenda for Non-Uniform Municipal Pension Board 11-21-18.pdf](#)

- 3.H TAX ASSESSOR'S RESULTS REPORT FOR HEARING DATE HELD NOVEMBER 14, 2018.

[Tax Assessor's Results Report for 11-14-18.pdf](#)

4. CITIZENS PARTICIPATION

5. INTRODUCTION OF ORDINANCES, RESOLUTIONS, APPOINTMENT AND/OR RE-APPOINTMENTS TO BOARDS & COMMISSIONS MOTIONS & REPORTS OF COMMITTEES:

- 5.A MOTIONS.

- 5.B FOR INTRODUCTION – A RESOLUTION – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT BETWEEN THE CITY OF SCRANTON AND THE SCRANTON SCHOOL DISTRICT WITH JOSEPH M. ALU AND ASSOCIATES TO PERFORM THE SCRANTON SINGLE TAX OFFICE INDEPENDENT AUDIT FOR FISCAL YEARS ENDING DECEMBER 31, 2017 AND DECEMBER 31, 2018.

[Resolution-2018 STO Audit Joseph Alu Associates.pdf](#)

- 5.C FOR INTRODUCTION – A RESOLUTION – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION BY THE CITY OF SCRANTON TO THE LACKAWANNA HERITAGE VALLEY NATIONAL AND STATE HERITAGE AREA PARTNERSHIP GRANT APPLICATION FOR CONSTRUCTION ON THE WENZEL TREEHOUSE REPAIRS IN THE AMOUNT OF \$1,000.00.

[Resolution-2018 Grant Wenzel Treehouse Repairs.pdf](#)

6. CONSIDERATION OF ORDINANCES - READING BY TITLE

- 6.A READING BY TITLE - FILE OF THE COUNCIL NO. 38, 2018 - AN ORDINANCE - APPROPRIATING FUNDS FOR THE EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING ON THE FIRST DAY OF JANUARY, 2019 TO AND INCLUDING DECEMBER 31, 2019 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR THE YEAR 2019.

[Ordinance-2018 Operating Budget for 2019.pdf](#)

- 6.B READING BY TITLE – FILE OF THE COUNCIL NO. 39, 2018 - AN ORDINANCE – AMENDING FILE OF THE COUNCIL NO. 6, 1976 ENTITLED “AN ORDINANCE (AS AMENDED) IMPOSING A TAX FOR GENERAL REVENUE PURPOSES ON THE TRANSFER OF REAL PROPERTY SITUATE WITHIN THE CITY OF SCRANTON; PRESCRIBING AND REGULATING THE METHOD OF EVIDENCING THE PAYMENT OF SUCH TAX; CONFERRING POWERS AND IMPOSING THE DUTIES UPON CERTAIN PERSONS, AND PROVIDING PENALTIES”, BY IMPOSING THE RATE OF THE REALTY TRANSFER TAX AT TWO AND TWO TENTHS PERCENT (2.2%) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

[Ordinance-2018 Realty Transfer Tax for 2019.pdf](#)

- 6.C READING BY TITLE – FILE OF THE COUNCIL NO. 40, 2018 - AN ORDINANCE – AMENDING FILE OF THE COUNCIL NO. 7, 1976, ENTITLED

“AN ORDINANCE (AS AMENDED) IMPOSING A MERCANTILE LICENSE TAX OF 2 MILLS FOR THE YEAR 1976 AND ANNUALLY THEREAFTER UPON PERSONS ENGAGING IN CERTAIN OCCUPATIONS AND BUSINESSES THEREIN; PROVIDING FOR ITS LEVY AND COLLECTION AND FOR THE ISSUANCE OF MERCANTILE LICENSES; CONFERRING AND IMPOSING POWERS AND DUTIES UPON THE TAX COLLECTOR OF THE CITY OF SCRANTON; AND IMPOSING PENALTIES”, BY IMPOSING THE MERCANTILE LICENSE TAX AT ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

[Ordinance-2018 Mercantile License Tax for 2019.pdf](#)

- 6.D READING BY TITLE - FILE OF THE COUNCIL NO. 41, 2018 - AN ORDINANCE - AMENDING FILE OF THE COUNCIL NO. 8, 1976, ENTITLED “AN ORDINANCE (AS AMENDED) PROVIDING FOR THE GENERAL REVENUE BY IMPOSING A TAX AT THE RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF OPERATING OR CONDUCTING BUSINESS IN THE CITY OF SCRANTON AS MEASURED BY THE GROSS RECEIPTS THEREFROM; REQUIRING REGISTRATION AND PAYMENT OF THE TAX AS CONDITION TO THE CONDUCTING OF SUCH BUSINESS; PROVIDING FOR THE LEVY AND COLLECTION OF SUCH TAX; PRESCRIBING SUCH REQUIREMENTS FOR RETURNS AND RECORDS; CONFERRING POWERS AND DUTIES UPON THE TAX COLLECTOR; AND IMPOSING PENALTIES”, BY IMPOSING THE BUSINESS PRIVILEGE TAX AT THE RATE OF ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

[Ordinance-2018 Business Privilege Tax for 2019.pdf](#)

- 6.E READING BY TITLE - FILE OF THE COUNCIL NO. 42, 2018 - AN ORDINANCE - AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED “AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR THE VIOLATIONS”, BY

RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

[Ordinance-2018 Earned Income Tax for 2019.pdf](#)

- 6.F READING BY TITLE - FILE OF THE COUNCIL NO. 43, 2018 - AN ORDINANCE - AMENDING FILE OF THE COUNCIL NO. 78, 2017, AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 100, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) LEVYING GENERAL AND SPECIAL TAXES FOR THE FISCAL YEAR 1977", BY SETTING THE MILLAGE FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER" BY AMENDING SECTION 1 REVERTING BACK TO THE MILLAGE RATES FROM 2016 WHICH ARE .232521 MILLS LEVY ON LAND AND .050564 MILLS LEVY ON ALL BUILDINGS AND BY ELIMINATING THE DEDICATED MILLAGE FOR DEBT SERVICE CONTAINED IN SECTION 2 AND REPLACING THE DEDICATED MILLAGE FOR DEBT SERVICE WITH A DEDICATED DEBT PERCENTAGE OF 32% OF REAL ESTATE TAX REVENUES COLLECTED ON A CURRENT YEAR BASIS.

[Ordinance-2018 Setting the Millage for 2019.pdf](#)

- 6.G READING BY TITLE - FILE OF THE COUNCIL NO. 44, 2018 - AN ORDINANCE - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229636 ENTITLED "SSA PENSION" FOR RECEIVING FUNDS FROM THAT PART OF THE SALE OF THE SCRANTON SEWER AUTHORITY PROCEEDS USED FOR THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018) AND THE DISBURSEMENT OF PAYMENTS ON THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018).

[Ordinance-2018 Special City Account SSA Pension for Pension Obligation Note.pdf](#)

- 6.H READING BY TITLE - FILE OF THE COUNCIL NO. 45, 2018 - AN

ORDINANCE – CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229637 ENTITLED “SSA FUNDS” FOR RECEIVING THE REMAINING BALANCE OF FUNDS FROM THE SALE OF THE SCRANTON SEWER AUTHORITY FOR DISBURSING FOR FUTURE CITY PROJECTS.

[Ordinance-2018 Special City Account SSA Funds for Future City Projects.pdf](#)

- 6.I READING BY TITLE - FILE OF THE COUNCIL NO. 46, 2018 – AN ORDINANCE – AMENDING FILE OF THE COUNCIL NO. 138, 2017 AN ORDINANCE “AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A PENSION TRUST AGREEMENT WITH THE COMPOSITE PENSION BOARD TO HOLD APPROXIMATELY \$22,910,531.56 OF THE PROCEEDS FROM THE SALE OF THE ASSETS OF THE SCRANTON SEWER AUTHORITY IN TRUST UNTIL SUCH TIME AS PENSION REFORMS HAVE BEEN ENACTED” BY PERMITTING THE CITY TO TRANSFER FUNDS REQUIRED PURSUANT TO THE ORIGINAL TRUST AGREEMENT TO THE COMPOSITE PENSION BOARD THROUGH THE ISSUANCE OF NONELECTORAL DEBT IN A PRINCIPAL AMOUNT OF APPROXIMATELY \$22,910,531.56.

[Ordinance-2018 Trust Agreement with Composite Pension Board.pdf](#)

- 6.J READING BY TITLE - FILE OF THE COUNCIL NO. 47, 2018 – AN ORDINANCE – CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229638 ENTITLED “STREET LIGHTING LEASE RESERVE FUNDS” FOR THE RECEIPT AND DISBURSEMENT OF STREET LIGHTING LEASE RESERVE FUNDS.

[Ordinance-2018 Special City Account for Street Lighting Lease Reserve Funds.pdf](#)

- 6.K READING BY TITLE – FILE OF THE COUNCIL NO. 48, 2018 – AN ORDINANCE – CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229639 ENTITLED “HIGHMARK HEALTHCARE RESERVE” FOR THE RECEIPT OF HIGHMARK HEALTHCARE FUNDS AND DISBURSEMENT OF THESE FUNDS FOR CITY OF SCRANTON HEALTHCARE COSTS.

[Ordinance-2018 Special City Account for Highmark Healthcare Reserve.pdf](#)

- 6.L READING BY TITLE - FILE OF THE COUNCIL NO. 49, 2018 - AN ORDINANCE - AMENDING FILE OF THE COUNCIL NO. 21, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO IMPROVE DETERIORATING REAL PROPERTY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, AND PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

[Ordinance-2018 Amending FOC 21, 2016 LERTA.pdf](#)

- 6.M READING BY TITLE - FILE OF THE COUNCIL NO. 50, 2018 - AN ORDINANCE - AMENDING FILE OF THE COUNCIL NO. 22, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO STIMULATE RESIDENTIAL, COMMERCIAL AND OTHER BUSINESS ACTIVITY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" IN ORDER TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

[Ordinance-2018 Amending FOC 22, 2016 LERTA.pdf](#)

7. FINAL READING OF RESOLUTIONS AND ORDINANCES

- 7.A FOR CONSIDERATION BY THE COMMITTEE ON COMMUNITY DEVELOPMENT - FOR ADOPTION - FILE OF THE COUNCIL NO. 37, 2018 - AUTHORIZING THE TRANSFER OF A VACANT PARCEL OF PROPERTY OWNED BY THE CITY OF SCRANTON TO THE LACKAWANNA COUNTY LAND BANK IN ACCORDANCE WITH THE INTERGOVERNMENTAL COOPERATION AGREEMENT BY AND BETWEEN THE LAND BANK, LACKAWANNA COUNTY, CITY OF SCRANTON AND SCRANTON SCHOOL DISTRICT, PROPERTY MORE COMMONLY KNOWN AS 2935-2937 PITTSTON AVENUE, SCRANTON, PA 18505.

[Ordinance-2018 Transfer Vacant Parcel to Land Bank 2935-2937](#)

[Pittston Ave.pdf](#)

- 7.B FOR CONSIDERATION BY THE COMMITTEE ON RULES – FOR ADOPTION – RESOLUTION NO. 86, 2018 – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF SCRANTON AND LOCAL UNION NO. 60 OF THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, AFL-CIO.

[Resolution-2018 MOU Local 60 Scranton Fire Fighters.pdf](#)

- 7.C FOR CONSIDERATION BY THE COMMITTEE ON RULES – FOR ADOPTION – RESOLUTION NO. 87, 2018 – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN LOCAL LODGE 2462 AND THE CITY OF SCRANTON AND THE SCHOOL DISTRICT OF THE CITY OF SCRANTON REGARDING THE SINGLE TAX OFFICE COLLECTIVE BARGAINING AGREEMENT.

[Resolution-2018 MOU Local 2462 Single Tax Office.pdf](#)

- 7.D FOR CONSIDERATION BY THE COMMITTEE ON COMMUNITY DEVELOPMENT – FOR ADOPTION – RESOLUTION NO. 88, 2018 – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS FOR THE CITY OF SCRANTON TO ENTER INTO A LOAN TO GRANT AGREEMENT AND MAKE A LOAN/GRANT FROM THE CITY OF SCRANTON’S BUSINESS AND INDUSTRY LOAN TO GRANT PROGRAM, PROJECT NO. 150.45 IN AN AMOUNT NOT TO EXCEED \$140,000.00 TO RIZZO-FRYZEL DENTAL GROUP, PLLC, DBA (ELECTRIC CITY DENTISTRY) TO ASSIST AN ELIGIBLE PROJECT.

[Resolution-2018 Loan to Grant Agreement Rizzo-Fryzel Dental Group.pdf](#)

- 7.E FOR CONSIDERATION BY THE COMMITTEE ON PUBLIC WORKS – FOR ADOPTION – RESOLUTION NO. 89, 2018 – AUTHORIZING THE MAYOR AND

OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A MULTI-BRIDGE (“BRIDGE BUNDLING”) PROJECTS AGREEMENT BY AND BETWEEN THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE DEPARTMENT OF TRANSPORTATION (“DEPARTMENT”) AND THE CITY OF SCRANTON (“CITY OF SCRANTON”) FOR COMMONWEALTH’S PERFORMANCE OF CITY OF SCRANTON-OWNED BRIDGE PROJECTS.

[Resolution-2018 Multi-Bridge Projects Agreement.pdf](#)

8. ADJOURNMENT

Scranton Municipal Recreation Board Meeting

October 1, 2018

Weston Fieldhouse

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Attendees: Tim Woody, Manny Johnson, Mike Williams, Jerry Smurl, Paul DeAntona also Attorney Tim Corbett and Director Brian Fallon

Call to Order:

Pledge of Allegiance:

August Minutes Approval:

Motion to approve August minutes made by Mike; Jerry 2nd. Vote 5-0.

Citizen participation: None

Chairperson's report:

- Rentals that weren't paid in full. Mike will provide information. Tim will sent letters. Brian will contact if he has phone numbers.
- Jewish Food Festival. Brian indicated that he has been in communication with them, and it will be paid by the end of the week.
- Treehouse bids were opened. Five (5) bids were received. City of Scranton will be handling that process.
- Drop Safe for Pool and lights will cost 300-350 each. It was voted that these would be purchased at last meeting.
- Request made that Director Hinton attend November meeting. Board will contact him.
- Request made from Parks and Recreation for new mower with bagger. There is a quote from F&S Supply. Board requested that the employee requesting the tractor appear at the next meeting to explain the need for this tractor. Board pointed out that a new mower was purchased a few years ago. Board would like to evaluate current equipment before purchasing new equipment.
- Mulch. Board seeking volunteers to help with the spreading of mulch on October 13, 2018.
- Park Cleanup. Volunteers will be performing a park cleanup on October 14, 2018.
- Board inquired as to whether volunteers were needed for light show setup. Director Fallon indicated that his staff was sufficient and that no volunteers were needed for that.
- Board congratulated our fellow board member, Katie Gallagher, on the birth of her new child.

New Business:

- Garage across from concession stand. Jerry discussed the possibility of fixing it up. Director Fallon indicated that it was in need of significant work. Jerry expressed an interest in getting the building operable to service park needs. Jerry graciously volunteered his services to assist in that repair. Board discussed possibility of posting newsletter and event calendar in the window of that building, and potentially holding meetings there. **Jerry motioned to do a walkthrough of the building to assess its needs; 2nd Paul, 5-0 Vote.**
- Mike proposed exploring whether we could hold meetings at the Everhart Museum. Director Fallon will contact a representative from the museum.
- Thank you letter from NACPP Planning Committee for the Scranton Pride Festival is read.
- Director Fallon indicated that the building next to the zoo could be useful to the Authority. St. Cats may be using it now without authorization. Police may be able to make use of it.

Solicitor's report:

- Tim provided draft of proposed rental agreement for pavilion. Mike expressed concern with accounting issue should we require deposits.
- Tim advised the Board that his review of the 1893 ordinance indicated that alcohol is prohibited in the park.

Treasury Report: Mike will e-mail information on unpaid balances for rentals. Mike presented \$50 bill from Erlich Pest Control and \$1,479 bill from Reeves Rent-a-Johns. There was also a \$1,220.80 reimbursement from Reeves Rent-a-John for overpayment. **Motion to authorize payment of bills made by Jerry; 2nd Paul. Vote 5-0.**

Adjourn: Motion to adjourn made by Paul; 2nd Mike. Vote 5-0.



CITY PLANNING COMMISSION

CITY HALL : 340 NORTH WASHINGTON AVENUE : SCRANTON, PENNSYLVANIA 18503 : PHONE 570-348-4280 : FAX 570-348-4171

CITY PLANNING COMMISSION

November 28, 2018

6:00 PM

Meeting Location
City Council Chambers 2nd Floor
City Hall
340 N. Washington Ave.
Scranton, PA

OLD BUSINESS:

1. Review of Final Land Development plan by Dr. David Hazzouri to construct a 3000 sf Medical Office building at 211 S 7th Ave. (C-G zone)
2. Review of Final Land Development plan by Northeast Child Care services to change the use of and enlarge a building at 901 Adams Ave for use a Day Care Center. (C-G zone)

NEW BUSINESS:

1. Review of Final subdivision plan by St. Stanislaus Polish National Catholic Church to subdivide a 22 acre parcel into (2) 11 acre parcels at Kane St. and Stafford Ave. (I-L zone)

CITY OF SCRANTON FIREFIGHTERS PENSION COMMISSION

Minutes

September 19, 2018

The Scranton Firefighters Pension Commission was called to order at 08:30 hrs. The following members were in attendance:

Chairman John Judge

Secretary Brian Scott (Absent)

Active Rep. Jim Sable

Retired Rep. Bernard Garvey

Retired Rep. Terry Osborne

Attorney Larry Durkin

Controller Rosanne Novembrino (Mary Lynn Carey by Proxy)

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Motion to accept August 2018 minutes by Osborne, second by Carey. Motion carried.

Correspondence: None

Bills: None

Old Business: None

New Business: None

Application for Membership:

Motion to accept David Baker into pension fund by Osborne, second by Carey.

Motion carried.

Motion to accept Christopher Barletta into pension fund by Osborne, second by Carey. Motion carried.
Motion to accept Jesse Creegan into pension fund by Osborne, second by Carey. Motion carried.
Motion to accept Jacob DeSarno into pension fund by Osborne, second by Carey. Motion carried.
Motion to accept Zachery Fannon into pension fund by Osborne, second by Carey. Motion carried.
Motion to accept James Frost into pension fund by Osborne, second by Carey. Motion carried.
Motion to accept Nicholas Hughes into pension fund by Osborne, second by Carey. Motion carried.
Motion to accept Brandon Kohut into pension fund by Osborne, second by Carey. Motion carried.
Motion to accept Eric Kopa into pension fund by Osborne, second by Carey. Motion carried.
Motion to accept Eric Slimer into pension fund by Osborne, second by Carey. Motion carried.

Application for Pension: None

Audience: None

Motion to Adjourn:
Motion to adjourn by Osborne, second by Carey. Motion Carried

CITY OF SCRANTON FIREFIGHTERS PENSION COMMISSION

October 17, 2018

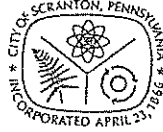
There was no October 2018 meeting of the Scranton Firefighters Pension Commission.

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City of Scranton
Pennsylvania



Municipal Pension Fund

MINUTES

NON-UNIFORM MUNICIPAL PENSION BOARD

OCTOBER 17, 2018

The City of Scranton's Non-Uniform Municipal Pension Board held their monthly meeting on Wednesday, October 17, 2018 at 9:30 A.M. in City Council Chambers.

In attendance were:

John Hazzouri, President

Maggie Perry, Vice President

Roseann Novembrino, City Controller

Danielle Kennedy, Proxy for Mayor

Lori Reed, Proxy for City Council President

Larry Durkin, Esquire, Attorney for Board

President Hazzouri asked for a motion to accept the minutes of last month's meeting held on Wednesday, September 19, 2018.

Mrs. Reed made a motion to accept the minutes from the September 19th meeting.

Mrs. Perry seconded the motion.

President Hazzouri: All in favor? (All were in favor) The ayes have it.

President Hazzouri: Received an invoice from Durkin MacDonald, LLC in the amount of \$1,580.50 for services rendered from September 18, 2018 through October 15, 2018.

Mrs. Novembrino made a motion to pay the invoice to Durkin MacDonald.

Mrs. Kennedy seconded the motion.

President Hazzouri: All in favor? (All were in favor) The ayes have it.

President Hazzouri: Opened the meeting to the Board.

Attorney Durkin reported that we received an opinion on the double pension case from Judge Mazzoni who upheld what the Board voted for. The retirees have thirty days from the date of the opinion to file an appeal to the Commonwealth Court. Attorney Durkin has not heard anything as to whether they are or are not going to file an appeal. If they did appeal it, the Board would go through that process. If they did not appeal it, that would be the end of it. We will have to wait for the 30 day window to see what happens.

Mrs. Kennedy asked when is the 30 days?

Attorney Durkin said that it is on November 3rd depending on what day of the week that is. If it is on a weekend, it would be the next weekday. Attorney Durkin also explained that the process the Board followed was correct, which limits the chances of anyone complaining later on that they did not get due process. The Board could also appeal the portion that Judge Mazzoni ruled about non-recoupment; however, he would not recommend it.

Mrs. Perry asked if the retirees appeal would the Board appeal it?

Attorney Durkin stated that we would have to decide at that point. It is an option but it would be up to the Board if they wanted to do that. Attorney Durkin asked the Board to meet with him in an Executive Session regarding the litigation that was filed by Mrs. Sulla and Pat Rogan against the Board, which is also pending before Judge Mazzoni on preliminary objections.

President Hazzouri thanked the Board for a job well done with the double pension issue and also thanked Attorney Durkin for doing an excellent job with the same. He then opened the meeting to the audience for any questions or comments. There were no comments.


President Hazzouri then advised the Board to go in to an Executive Session regarding the pending litigation.

After the Executive Session, **President Hazzouri** asked for a motion to continue the meeting to next **Wednesday, October 24, 2018 at 9:30 A.M.** in Council chambers.

Mrs. Novembrino made a motion to continue the meeting until next Wednesday.

Mrs. Perry seconded it.

President Hazzouri: All in favor? (All were in favor). The ayes have it.

Minutes approved by:  Date: 11-21-18
John Hazzouri, President

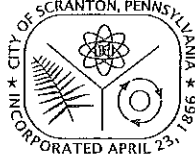
Respectfully submitted:  Date: 11-21-18
Kathy Carrera, Recording Secretary

Council of the City of Scranton

340 No. Washington Avenue • Scranton, Pennsylvania 18503 • Telephone (570) 348-4113 • Fax (570) 348-4207

Lori Reed
City Clerk

Amil Minora, Esq.
Counsel



PROXY

Pat Rogan, President
Timothy Perry, Vice President
William Gaughan
Wayne Evans
Kyle Donahue

I, Patrick Rogan, hereby revoke any previous proxies and appoint Lori Reed as my proxy to attend the meeting of:

Non-uniform pension board

On:

10/17/18

And any continuation or adjournment thereof and to represent, vote and otherwise act for me in the same manner and with the same effect as if I were personally present.

This proxy and the authority represented herein is valid only on the above date and shall not survive said date.


Dated: 10/17/18

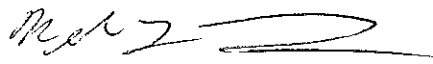
Signed: Pat Rogan

Witness: Amie Marciano

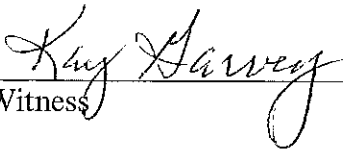
PROXY

I, William L. Courtright, hereby revoke any previous proxies and appoint Danielle Kennedy, Human Resource Director/Assistant Business Administrator, as my proxy to attend the meeting of the Non-Uniform Pension Board Meeting and any continuation or adjournment thereof, and to represent, vote and otherwise act for me in the same manner and with the same effect as if I were personally present.

DATE: OCTOBER 17, 2018 

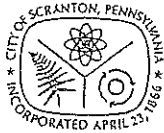


Mayor William L. Courtright
City of Scranton



Witness

City of Scranton
Pennsylvania



Municipal Pension Fund

MINUTES

NON-UNIFORM MUNICIPAL PENSION BOARD

OCTOBER 24, 2018

(CONTINUATION OF OCTOBER 17, 2018 MEETING)

The City of Scranton's Non-Uniform Municipal Pension Board continued their monthly meeting from October 17, 2018 to Wednesday, October 24, 2018 at 9:30 A.M. in City Council Chambers.

In attendance were:

John Hazzouri, President

Maggie Perry, Vice President

Roseann Novembrino, City Controller

Larry Durkin, Esquire, Attorney for Board

Absent:

Danielle Kennedy, Proxy for Mayor

Lori Reed, Proxy for City Council President

Attorney Durkin explained that the reason the meeting was continued was due to pending litigation filed by Angela Sulla and Pat Rogan. There is a hearing on Thursday, October 25th with Judge Mazzoni regarding this litigation. At the last hearing before Judge Mazzoni there had been discussion among the lawyers about attempting to settle this by the Board assigning whatever rights it has against its insurance companies to the plaintiffs in exchange for dismissal of the current litigation. Attorney Durkin spoke with the Board in executive session and also spoke with attorney Amil Minora and attorney Jessica Eskra about it and his recommendation to the Board is to go along with that settlement and it would get rid of the litigation right now and hopefully eliminate any cost to the Board to continue to defend it. Attorney Durkin recommended the Board make a motion to settle the litigation by entering an assignment with the plaintiffs against the insurance companies. The plaintiffs would then have to decide what they are going to do with the insurance companies. If the Board wanted to pursue it itself against the insurance companies, they would have to file a declaratory judgment action against them to let a court decide if there is coverage, which attorney Durkin did not recommend because he did not see a path to recovery from the insurance companies. He also did not think that the plaintiff's suit had standing. He did not think that they had the ability to bring the claim that they have brought under either normal standing or taxpayer's standing. If the plaintiffs decide to sue the insurance companies, it would probably involve the Board at some level. The plaintiffs would have to take the affirmative steps of actually doing that. Attorney Durkin suggested that the Board put a motion on the floor to authorize the settlement and a second motion to authorize the Board president to sign any assignment that is needed.

Mrs. Novembrino made the motion to settle the pending litigation by assigning the Board's rights against its insurance companies to the plaintiffs.

Mrs. Perry seconded the motion.

President Hazzouri: All in favor? (All were in favor). Opposed? The ayes have it.

Mrs. Perry made a motion to authorize the president of the Board to sign and execute an assignment to the plaintiffs.

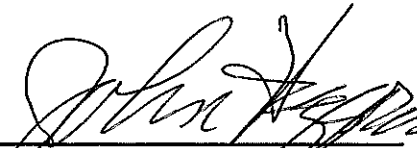
Mrs. Novembrino seconded the motion.


President Hazzouri: All in favor? (All were in favor). Opposed? The ayes have it.

Mrs. Novembrino made a motion to adjourn the meeting.

President Hazzouri seconded the motion.

All were in favor. The meeting adjourned at 9:45 A.M.

Minutes approved by:  Date: 11-21-18
John Hazzouri, President

Respectfully submitted:  Date: 11-21-18
Kathy Carrera, Recording Secretary

**SCRANTON POLICE PENSION
COMMISSION MEETING**

SCRANTON CITY COUNCIL CHAMBERS

OCTOBER 17, 2018

RECEIVED

NOV 21 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

BOARD MEMBERS

1. THOMAS TOLAN- PRESENT
2. JUSTIN BUTLER- PRESENT
3. NANCY KRAKE- PRESENT
4. ROSEANNE NOVEMBRINO-PRESENT
5. PAUL HELRING- PRESENT
6. MICHAEL CAMMEROTA- PRESENT

ALSO IN ATTENDANCE ATTORNEY LARRY DURKIN.

MINUTES FROM WEDNESDAY SEPTEMBER 19, 2018 MEETING OF THE SCRANTON POLICE PENSION COMMISSION MEETING, WERE REVIEWED. MOTION MADE BY BUTLER TO ACCEPT THE MINUTES AND SECONDED BY CAMMEROTA. THE MOTION PASSED.

BILLS:

A BILL FROM DURKIN MACDONALD LLC ATTORNEY AT LAW FOR SERVICES RENDERED FOR ONE MONTH. SEPTEMBER 18, 2018 THRU OCTOBER 15, 2018 TO THE AMOUNT OF \$217.50

A MOTION MADE BY NOVEMBRINO TO PAY DURKIN MACDONALD LLC ATTORNEY AT LAW FOR SERVICES RENDERED FOR 217.50 FROM SEPTEMBER 18, 2018 THRU OCTOBER 15, 2018. SECONDED BY HELRING, ALL IN FAVOR MOTION PASSED.

A MOTION WAS MADE BY BUTLER TO REFUND CARMEN WEGA HIS PENSION CONTRIBUTIONS DUE TO HIS RESIGNATION. WEGA IS OWED 7,305.31. SECONDED BY KRAKE AND MOTION PASSED.

COMMUNICATION:

JOSEPH LAFFERTY REQUESTED TO BUY PENSION TIME BACK FROM MARCH 15, 1993 TILL JANUARY 31, 1994. HE PROVIDED DOCUMENTS THAT HE WORKED 40HRS A WEEK IN THAT TIME FRAME. A MOTION WAS MADE BY KRAKE TO HAVE ANDERSON CALCULATE THE DOLLAR AMOUNT. SECONDED BY CAMMEROTA, ALL IN FAVOR MOTION PASSED.

TOLAN MADE THE MOTION TO GIVE THE COST OF LIVING INCREASES FOR 2019 TO PENSIONERS. SECONDED BY HELRING, ALL IN FAVOR MOTION PASSED.

ATTORNEY DURKIN ADVISED THE BOARD THE RETIREMENT APPLICATION THE BOARD ASKED HIM TO WRITE IS ALMOST COMPLETE.

A MOTION TO ADJOURN WAS MADE BY HELRING AND SECONDED BY NOVEMBRINO. MEETING ADJOURNED AT 1016HRS.

RECEIVED

NOV 21 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

COMPOSITE PENSION BOARD MINUTES

October 17, 2018

The regular meeting of the Composite Pension Board was held on Wednesday, October 17th at 11:00AM in City Council Chambers.

The following were in attendance:

DAVID MITCHELL – Pres - Police Employee Representative
JOHN HAZZOURI – Vice Pres – Municipal Board Representative
ROBERT SENCHAK – Sect. - Fire Employee Representative
PAUL HELRING – (Proxy) Police Board Representative
MAGGIE PERRY – Municipal Employee Representative
DANIELLE KENNEDY – (Proxy) Mayor
LORI REED – (Proxy) City Council
ROSEANN NOVEMBRINO – (Proxy) City Controller
LARRY DURKIN – Durkin MacDonald (Legal Counsel) 4/13/2020
JAMES KENNEDY – T. Anderson & Assoc. (Administrator)
MARK YASENCHAK – PFM Group (Trustee)

David Mitchell... Called the meeting to order, he entertained a Motion to accept the Minutes of the September 19th meeting. **Motion to accept made by John Hazzouri, seconded by Roseann Novembrino, anyone on the question, no response, all were in favor.**

Correspondence:

We received two correspondence from Jim Kennedy, one being that the State Aid was deposited in the amount of \$3,677,245.00 and there was the municipal obligation which needs to be paid by December 31st without penalty of \$9,861,271.00. He asked Jim if he had anything on this, Jim responded nothing at this point. Jim said his understanding is that Dave Bulzoni is aware of it and plans to take care of it before year end. The State Aid was sent in, he confirmed that there was a two or three day delay but not like last year.

One of the correspondence was the report that we are going to be getting from PFM during their presentation.

Dave asked if anybody had any questions about the MMO or the City's contributions before we go further. John Hazzouri asked what was the date. Dave said he could give him the date that the City transferred it. The City wired in on September 25th so it probably got in around the beginning of October. He doesn't know if it would be included in this report.

Bills:

PFM Asset Management... For service of 8/1– 8/30/2018 in the amount of \$10,839.22 **Motion to pay made by John Hazzouri, seconded by Lori Reed, all were in favor.**

Durkin and MacDonald... In the amount of \$841.00 for legal services 9/18 - 10/15. **Motion to pay made by Roseann Novembrino, seconded by Paul Helfing, all were in favor.**

Mark Yasenchak... Distributed reports from PFM and made a presentation to the Board. He reviewed the Account Reconciliation with the Board. There was a net flow of \$2,594,466.00 Return on investment was (-\$27,194.00) for the month of September, it was a little bit of a downslide, then September came back up then it went flat. Yesterday was a good day.

He discussed the Federal Reserve and the interest rates. He discussed NAFTA, now referred to as the United States, Mexico and Canada Agreement it is fairly insignificant change from the market trading factors (fire engines were pulling out and I could not make out the remainder of what was said). There were some additional tariffs that were announced. He discussed the effects of the different rates. He reviewed the asset allocation and the performance.


Paul asked as of today what was the value, Mark said as of last Friday it looks like the October number is down about 3.5%. The plan is down roughly 2.5 to 2.75% something like that in October thus far. The market value as of last Friday was \$68,451,536.00 a difference of about \$2.4 million from where we were at September 30th.


Terri Morgan... Wanted an update on the sewer proceeds, nothing has happened yet, there is no update.

Motion to adjourn made by Paul Helring, seconded by Danielle Kennedy, all were in favor.

November 21st is our next Meeting.

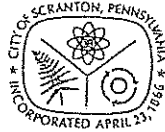
Minutes approved November 21, 2018:



David Mitchell
President

Kathleen McGinn
Recording Secretary

City of Scranton
Pennsylvania



Municipal Pension Fund

NON-UNIFORM MUNICIPAL PENSION

AGENDA

NOVEMBER 21, 2018

1. RECEIVED AN INVOICE FROM DURKIN MACDONALD, LLC IN THE AMOUNT OF \$ 2,566.50 WHICH REPRESENTS SERVICES RENDERED FROM OCTOBER 16, 2018 THROUGH NOVEMBER 19, 2018.
2. RECEIVED CHECK #4661 DATED NOVEMBER 4, 2018 IN THE AMOUNT OF \$88.00 FROM SINGLE TAX OFFICE EMPLOYEE ANGELA DUFFY. THIS CHECK REPRESENTS PAYMENT OF PENSION CONTRIBUTIONS FOR THE MONTHS OF JANUARY THROUGH APRIL 2018 FOR BOTH THE CITY AND SCRANTON SCHOOL DISTRICT.
3. RECEIVED A REQUEST FOR A REFUND OF PENSION CONTRIBUTIONS FROM JOHN F. JUDGE WHO HAD BEEN EMPLOYED AS THE CITY'S WORKERS' COMPENSATION PROGRAM MANAGER FROM JANUARY 4, 2016 THROUGH OCTOBER 19, 2018. MR. JUDGE HAS CONTRIBUTED A TOTAL OF 35 MONTHS AT \$22.00 PER MONTH AND IS DUE A REFUND OF \$770.00.

J. A.

TAX ASSESSOR'S REPORT

Hearing Date: 11/14/18

Time	Name	Boro/Twp.	Pin Number	Attorney	Proposed/Current Assessed Value	After Appeal Value
9:50 AM	COMMONWEALTH CHARTER ACADE	DICKSON CITY	11303020015	DAVID DYE	9500	EXEMPT
9:50 AM	COMMONWEALTH CHARTER ACADE	DICKSON CITY	11303020019	DAVID DYE	1500	EXEMPT
10:00 AM	HARRIS JAMES D & RITA	SCRANTON	1440401001601	SARA LLOYD	63000	35000
10:10 AM	BEICHLER, ERIC K & NANCY	BENTON	0400301000501	JOHN LAWLER	22200	22200
10:10 AM	BEICHLER ERIC K & NANCY	BENTON	0400301000502	JOHN LAWLER	33160	33160
10:20 AM	PAULSEN-PETER & KOEHL NICHOLE	ROARING BROOK	1700101000198	MARK TUNIS	75200	41350
10:30 AM	MUNLEY ERIC R & LINDSEY M	SCOTT TWP	0720102002608		41000	33000
10:40 AM	BIANCHI JAY R & MICHELE	SCOTT TWP	0620401003201		4000	3000
10:50 AM	MCGUINNESS PAUL A&AIMEE	SOUTH ABINGTON TWP	0910401000222	MICHAEL GOFFER	28000	23000
11:00 AM	BRIER DANIEL & KAREN	SOUTH ABINGTON TWP	0910101000801	DANIEL BRIER	11000	11000
11:10 AM	DOYLE VALENA L & PATRICK J	SOUTH ABINGTON TWP	0910401000504		44500	38000
11:20 AM	CHIAPPINI KIP F & LAURA J	ARCHBALD	0940101001533		44500	36500
11:30 AM	CRADLER MARK A & ADLETA MJ	ARCHBALD	09402050007		50500	31500
11:40 AM	PCJP REALTY LLC	CARBONDALE CITY	05415030013		132000	125200
11:50 AM	PENN EAST FEDERAL CREDIT UNIO	DICKSON CITY	1130303001121	PATRICK LAVELLE	324200	DEFERRED
12:00 PM	QUATRA STEPHEN R & JEAN MARIE	DICKSON CITY	11312030013	MARK RUDALAVAGE	44000	24500
12:10 PM	THOMAS WAYNE & KELLIE	DICKSON CITY	1131208000116		37000	25000
12:20 PM	VERRASTRO SALVATORE III & DON	JEFFERSON TWP	14003030078		4000	2000
12:30 PM	BRACEY KIMBERLY ANN	MADISON TWP	1990401000104		39500	39500
12:40 PM	COLARUSSO MARY ANN	MAYFIELD	0740101000227		53300	30300
12:50 PM	ANISKA GARY & KATHLEEN	OLD FORGE	16519010004		12600	10100
1:00 PM	PIEKARSKI MATTHEW	OLD FORGE	1850501001201		35660	27160
1:10 PM	ROMANOSKY MICHAEL J & ANN T	OLYPHANT	1140405000104		5000	3000
1:20 PM	HOWE MATTHEW B	MADISON TWP	2060103000406		35500	30000
1:30 PM	RESNAM REALTY LLC	SOUTH ABINGTON TWP	1120101000103		32000	24000
1:40 PM	PISH JOHN & BEVERLY ETAL	BENTON TWP	02817020023		65000	44000

TOTAL RECORDS 26

RECEIVED

NOV 21 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Wednesday, November 21, 2018

Page 1 of 1



RESOLUTION NO. _____

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT BETWEEN THE CITY OF SCRANTON AND THE SCRANTON SCHOOL DISTRICT WITH JOSEPH M. ALU AND ASSOCIATES TO PERFORM THE SCRANTON SINGLE TAX OFFICE INDEPENDENT AUDIT FOR FISCAL YEARS ENDING DECEMBER 31, 2017 AND DECEMBER 31, 2018.

WHEREAS, a request for Proposal was advertised for the Scranton Single Tax Office Independent Audit for the years ending December 31, 2017 and December 31, 2018, and four (4) proposals were submitted for review; and

WHEREAS, after review of the proposals submitted, it was determined that it would be in the best interest of the City to award the Joseph M. Alu and Associates for the reasons provided in the Memo attached hereto from the Business Administrator; and

WHEREAS, on November 5, 2018, the Scranton School District passed a Resolution approving the contract to hire Joseph M. Alu and Associates and to share the cost of both audits with the City of Scranton, a copy of which is attached hereto; and

WHEREAS, the total cost of the Audit for the year ending 2017 and 2018 is \$48,000.00 to be shared by the City of Scranton and Scranton School District with each paying \$24,000.00 (\$12,000.00 each per year).

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City Officials are authorized to execute and enter into a Contract, substantially in the form attached hereto marked as Exhibit "A" and incorporated herein by reference thereto between the City of Scranton and the Scranton School District with Joseph M. Alu and Associates to perform the Single Tax Audit for the years ending December 31, 2017 and December 31, 2018.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

SCRANTON SCHOOL DISTRICT

425 North Washington Avenue
Scranton, PA 18503

To the Members of
The Board of Directors of
The School District of the
City of Scranton

November 5, 2018

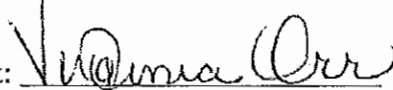
It is the recommendation of the Budget and Finance
Committee that the following resolution be accepted:

BE IT RESOLVED, that the Scranton School District
approves the contract to hire Joseph M. Alu and Associates, PC to
perform an audit of the Scranton Single Tax Office for the years
ending December 31, 2017 and December 31, 2018. The costs
associated with this audit shall be shared between the City of
Scranton and the Scranton School District (\$12,000 each per year)
as per the attached bid documents from the City of Scranton.

Respectfully Submitted:
Paige Cagnetti, Chairperson
Budget & Finance Committee

At a board meeting held Monday, November 5, 2018 with eight (8) affirmative and
zero(0) negative the above was approved.

Attest:



Virginia Orr, Secretary
Scranton School Board

CONTRACT

This contract entered into this ____ day of _____ 2018 effective Upon execution of Contract to Completion of Single Tax Office Independent Audits for year ending December 31, 2017 and December 31, 2018 by and between the City of Scranton, 340 North Washington Avenue, Scranton, PA 18503 and Scranton School District, 425 North Washington Avenue, Scranton, PA 18503 and

JOSEPH A. ALU AND ASSOCIATES
321 SPRUCE STREET
SUITE 1000
SCRANTON, PA 18503
PHONE NO. (570) 342-0405

hereinafter called "Contractor".

WITNESSETH:

WHEREAS, Scranton desires the Contractor to perform certain work and services in accordance with the terms and conditions hereinafter set forth and the Contractor is ready, willing and able to perform such work and services.

NOW THEREFORE, in consideration of the promises contained herein and the promises each to the other made, the parties do agree and intend to be legally bound as follows:

ARTICLE I - CATEGORY OF WORK AND SERVICES

The work and services to be performed by Contractor shall be in the general fields of providing Scranton Single Tax Office Independent Audit for the years ending December 31, 2017 and December 31, 2018. The Contractor hereby covenants, contracts, and agrees to furnish the City of Scranton and the Scranton School District with:

SCRANTON SINGLE TAX OFFICE INDEPENDENT AUDIT
FOR THE FISCAL YEARS ENDING DECEMBER 31, 2017 AND
DECEMBER 31, 2018 FOR THE TOTAL SUM OF \$48,000.00
COST TO BE SHARED BETWEEN THE CITY OF SCRANTON
AND SCRANTON SCHOOL DISTRICT \$24,000.00 (\$12,000.00
EACH PER YEAR)

Said services to be furnished and delivered in strict and entire conformity with Scranton's Specifications marked as Exhibit "A" attached hereto and incorporated herein by reference thereto and the Bid Proposal submitted by Joseph M. Alu and Associates dated October 1, 2018 attached hereto marked as Exhibit "B" and incorporated herein by reference thereto. Said Bid Proposal and Specifications are hereby made part of this Agreement as fully and with the same effect as if set forth at length herein.

ARTICLE II - GENERAL

(1) In the performance of the work and services hereunder, the Contractor shall act solely as an independent contractor, and nothing contained or implied shall at any time be so construed as to create the relationship of employer and employee, partnership, principal/agent, or

adventurer as between Scranton and the Contractor
(2) Failure of either party to enforce any of its rights hereunder shall not constitute a waiver of such rights, or of any other rights hereunder.

ARTICLE III - FEES

Said services to be furnished and delivered in strict and entire conformity with the Bid Proposal and Specifications attached hereto. Said Bid Proposal and Specifications are incorporated herein by reference as though set forth at length.

The total sum for the contract is \$52,000.00, the cost to be shared between the City of Scranton and Scranton School District \$26,000.00 (\$13,000.00 each per year) to the Contractor for furnishing the above services if said services are provided in full compliance with the terms and conditions of this Contract to the satisfaction and approval of the Business Administrator. Such approval shall not be unreasonably withheld. The terms and conditions of this contract are set forth herein and may be supplemented by any attachments or exhibits incorporated herein by reference.

ARTICLE IV - INDEMNIFICATION

The Contractor shall indemnify, defend, and hold harmless Scranton from and against any and all claims and actions, based upon or arising out of damage to property or injuries to person or other acts caused or contributed to by Contractor or anyone acting under the Contractor's direction or control or on the Contractor's behalf in the course of the Contractor's performance under this contract.

ARTICLE V - INSURANCE

- (1) Contractor represents that it now carries, and agrees it will continue during the term of this Contract to carry, at a minimum: Workers' Compensation, Comprehensive General and Contractual Liability, and Professional Liability Insurance in the following amounts:

<u>TYPE OF INSURANCE</u>	<u>LIMITS OF LIABILITY</u>
Workers' Compensation	Statutory
Employer's Liability	\$ 500,000.00
Professional Liability	\$1,000,000.00 each occurrence \$1,000,000.00 aggregate
Comprehensive General Liability (including Blanket Contractual Liability Insurance)	
Bodily Injury	\$ 1,000,000 each person \$ 1,000,000 each occurrence \$ 1,000,000 aggregate
Property Damage	\$ 500,000 each occurrence
Personal Injury	\$ 500,000
Comprehensive Automobile Liability:	
Bodily Injury	\$ 300,000 each person \$ 500,000 each occurrence
Property Damage	\$ 500,000 each occurrence

- (2) Certificates of all insurance provided by the Contractor shall be available for Scranton's review and will be furnished to Scranton if requested. Such copies of

certificates shall include the following:

- (a) Name of insurance company, policy number, and expiration data;
- (b) The coverage required and the limits on each, including the amount of deductibles or self-insured retentions (which shall be for the account of the Contractor);
- (c) A statement indicating Scranton shall receive thirty (30) days notice of cancellation or significant modification of any of the policies which may affect Scranton's interest;
- (d) A statement confirming Scranton has been named an additional insured (except for Worker's Compensation) on all policies; and
- (e) A statement confirming that Scranton, its agents and employees, have been provided a waiver of any rights or subrogation, which the Contractor may have against them.

ARTICLE VI: TERMINATION OF CONTRACT

If through any cause the CONTRACTOR shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or in the event of violation of any of the covenants contained herein, or in the event of violation of the laws applicable to implementation of the project contemplated by this Agreement, or in the event of misuse of funds, mismanagement, criminal activity or malfeasance in the implementation of this Agreement, Scranton shall thereupon have the right to terminate this Agreement by giving written notice to the CONTRACTOR specifying the effective date of termination. Said notice shall be given in writing to the CONTRACTOR and will be effective upon receipt by the CONTRACTOR. In such an event, all project records, unused grant monies, and such amounts as may have been expended contrary to the terms of this Agreement shall be returned to the Scranton.

ARTICLE VII: DEFAULT

In the event of a default by Contractor under this Agreement, the defaulting party then shall reimburse the non defaulting party for all costs and expenses incurred by the non defaulting party in connection with the default, including without limitation, court costs and attorneys fees at the trial level and on appeal.

ARTICLE VIII: JURISDICTION

This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania and all obligations hereunder are to be performed in Lackawanna County, Pennsylvania. Jurisdiction over the subject matter and performance of this Agreement is therefore vested in the Lackawanna County Court of Common Pleas.

ARTICLE IX - ENTIRE AGREEMENT

This contract constitutes the entire agreement between Scranton and Contractor. It supersedes all prior contemporaneous communications, representations, or agreements, whether oral or written, with respect to the subject matter thereof and if it has been induced by no representations, statements, or agreements other than those expressed. No agreement hereafter made between the parties shall be binding on either party unless reduced to writing and signed by an authorized officer of the party sought to be bound thereby.

IT IS FURTHER UNDERSTOOD AND AGREED that this contract is entered into under and subject to the provisions of the Act of Assembly of the Commonwealth of Pennsylvania, approved March 7, 1901, its supplements and amendments, and the liability of the City of Scranton herein limited to the amount appropriated for the same and subject to the Section 6-13 of the Administrative Code of the City of Scranton which limits payments of money out of the City Treasury to appropriations made by the Council

IN WITNESS WHEREOF the parties hereto have, in due form of law, caused this agreement to be executed the day and year first above written.

ATTEST:

CITY CLERK

BY: _____
MAYOR

DATE: _____

DATE: _____

CITY CONTROLLER

BUSINESS ADMINISTRATOR

DATE: _____

DATE: _____

SCRANTON SCHOOL DISTRICT

DATE: _____

APPROVED AS TO FORM:

CITY SOLICITOR

DATE: _____

JOSEPH M. ALU AND ASSOCIATES

BY:

TITLE: _____

DATE: _____

BUSINESS ADMINISTRATION

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON

November 7, 2018

Memo

To: William Courtright, Mayor
Roseann Novembrino, City Controller
Lori Reed, City Clerk

From: David Bulzoni, Business Administrator

Re: **Single Tax Office Independent Post Audit**

All,

The City of Scranton received four proposals for audit services for the Single Tax Office. The proposals are as follows:

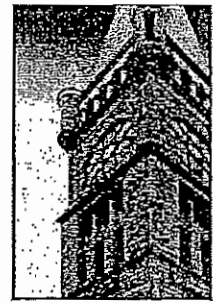
Robert Rossi and Company	\$30,000
Rainey and Rainey	\$47,000
Joseph M. Alu and Associates	\$24,000
Jones Kohanski Consultants	\$39,800

Subject to further review by the City Controller with a concurrence by the Scranton School District, a recommendation is made to retain Joseph M. Alu and Associate for the completion of the 2017 and 2018 audits for the Single Tax Office. This proposal most completely met the requirement of the Request for Proposal at the most competitive cost. Unlike the initial round of proposals, the submissions complied with the provisions of the Request for Proposal in entirety. The Single Tax Office has direct experience with Alu and Associates; the firm was contracted to complete the audits through 2016. The work was consistently acceptable.

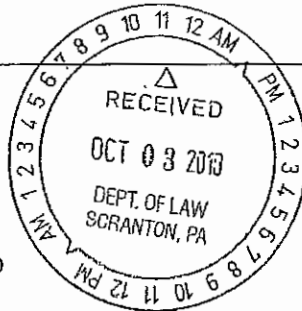
Therefore, Office of the Business Administrator recommends the approval of the proposal submitted by Joseph Alu and Associates for the completion of the Single Tax Office audits.

Department of Business Administration

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON



October 3, 2018

Mrs. Roseann Novembrino
City Controller
Municipal Building
340 N. Washington Ave.
Scranton, Pa. 18503

Dear Mr. Bulzoni,

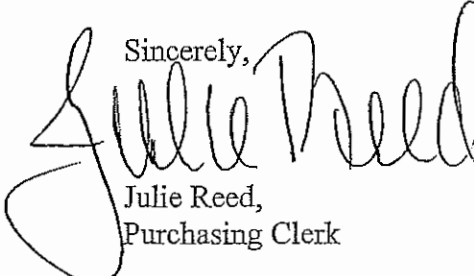
This is to inform you that proposals were opened Wednesday, October 3, 2018 in Council Chambers for the **City Of Scranton Re-Bid of Scranton Single Tax Office Independent Post Audit for the Fiscal Years 12/31/17 & 12/31/18**. Attached are the copies of the proposals submitted by the following company:

Rainey & Rainey
Jones Kohanski
Joseph M. Alu & Associates
Robert Rossi & Company

After your review of the proposals, please inform the Law Office of your decision so they may call for a contract or reject said bid.

Thank you for your cooperation in this matter.

Sincerely,



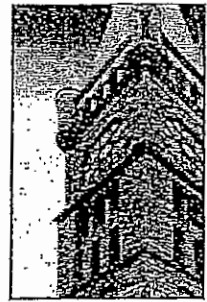
Julie Reed,
Purchasing Clerk

Encls.

CC: Mrs. Roseann Novembrino, City Controller
Mr. David Bulzoni, Business Administrator
Mrs. Lori Reed, City Clerk
✓ Mrs. Jessica Boyles Eskra, City Solicitor
File

Department of Business Administration

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON

August 31, 2018

Mrs. Roseann Novembrino
City Controller
Municipal Building
340 North Washington Avenue
Scranton, Penna. 18503

Dear Mrs. Novembrino:

This is to inform you that proposals will be opened in Council Chambers on Wednesday, October 3, 2018 at 10:00 A.M. in City Council Chambers for the following:

**The Re-Bid of Scranton Single Tax Office Independent Post Audit
For The Fiscal Years 12-31-17 & 12-31-18**

Attached, please find an Invitation to Bidders, Proposal and Specifications.

Thank you for your cooperation in this matter.

Sincerely,

Julie Reed,
Purchasing Clerk

CC: Mayor William Courtright
Mrs. Lori Reed, City Clerk
Mr. David Bulzoni, Business Administrator
Mrs. Rebecca McMullen, Finance Manager
✓ Ms. Jessica Boyles Eskra, City Solicitor
Mr. William Fox, Collector of Taxes
File

REQUEST FOR PROPOSAL

Separate sealed proposals will be received by the City of Scranton, Office of the City Controller, 2nd floor, 340 North Washington Avenue, Scranton, PA. 18503 until Wednesday, October 3, 2018 at 10:00 A.M. at which time such proposals will be opened in the City Council Chambers for the following:

THE RE-BID OF THE SCRANTON SINGLE TAX OFFICE INDEPENDENT POST AUDIT FOR THE FISCAL YEARS ENDING

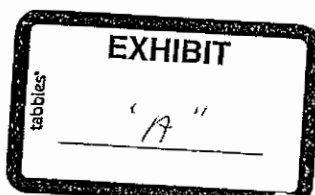
12/31/2017 & 12/31/18

Proposals shall be made in accordance with the specifications obtained from the City Purchasing Department, 340 North Washington Avenue, Scranton, PA 18503 and which may be had by interested parties responding to the Request. Copies can be requested by contacting the City of Scranton Purchasing Clerk, at jreed@scrantonpa.gov.

Sealed envelopes containing the proposals will be received and identified as "The Re-Bid of the Scranton Single Tax Office Independent Post Audit". The envelopes should be delivered or mailed to the Office of the City Controller, at the address listed above, so as to arrive by the date and time specified above. The City of Scranton will require five (5) copies of this proposal. If you have any questions, please contact Roseann Novembrino, City Controller, at (570) 348-4125 or David M. Bulzoni, Business Administrator, at (570) 348-4214.

ROSEANN NOVEMBRINO,
CITY CONTROLLER

Each proposal must be accompanied by a signed proposal, certificate of insurance, and signed anti-collusion and affirmative action affidavit.



TO WHOM IT MAY CONCERN:

You are invited to submit a proposal for "AN INDEPENDENT POST AUDIT" of all Single Tax Office activities, including collections of all applicable revenue and expenditures in accordance with the enclosed Request for Proposal.

All proposals must be submitted in five (5) copies to the City of Scranton, Office of the City Controller, 2nd floor, 340 North Washington Avenue, Scranton, Pennsylvania 18503. All proposals must be submitted in a sealed envelope and clearly marked "INDEPENDENT POST AUDIT – SINGLE TAX OFFICE".

All proposals must be received by the City Controller no later than 10:00 A.M. (prevailing time) on October 3, 2018. Late proposals will not be considered regardless of the reason.

Polices

- All submittals shall become the property of the City of Scranton and will not be returned.
- Deadline extensions will not be granted.
- Late submittals shall not be evaluated.
- The City of Scranton reserves the right to reject any or all submittals on the basis of being unresponsive to these guidelines or for failure to disclose requested information.
- The City of Scranton shall not be liable for any costs incurred by Respondents in the preparation of submittals nor in costs related to any element of the selection and contract negotiation process.
- To the extent allowed by law, responses will be held in confidence by the City of Scranton
- The proposal shall be binding for a period of ninety (90) days.
- Proposals not properly addressed shall not be accepted.
- The City of Scranton assumes no responsibility for improperly delivered proposals, carrier delays, or interruptions in the delivery service causing the proposal to be submitted following the deadline.
- Any proposal may be withdrawn or modified by written request of the Proposer, provided such request is received by the Business Office at the above address prior to the date and time of receipt of proposals. The request must be made formally in writing or electronically by email.

No oral, telephonic, emailed, or faxed responses shall be considered. Any responses received after the above scheduled due date and time shall not be accepted or considered.

Very truly yours

Roseann Novembrino
City Controller

INVITATION FOR REQUEST FOR PROPOSAL

SCRANTON SINGLE TAX OFFICE

Prospective respondents are invited to submit a proposal for an "Independent Post Audit" of all Scranton Single Tax Office revenues and accounts in accordance with the Request for Proposal.

All proposals must be submitted as instructed in five (5) copies to the Office of the City Controller, 2nd Floor, City Hall, 340 North Washington Avenue, Scranton, Pennsylvania, 18504. All proposals must be delivered in a sealed envelope and clearly marked. Late proposals will not be considered regardless of the reason.

CONTRACT PERIOD: The Request for Proposal incorporates audits for the fiscal years ending December 31, 2017 and December 31, 2018.

GENERAL INFORMATION FOR OFFERORS

PURPOSE: The Request for Proposal (RFP) provides interested prospective proposers with sufficient information to enable them to prepare and submit fixed cost proposals for consideration by the Office of the City Controller on behalf of the City of Scranton and Scranton School District to select an auditing firm to provide an independent post audit for the Scranton Single Tax Office.

A. No verbal information to bidders will be binding on the City and School District. The written requirements will be considered clear and complete, unless written attention is called to any apparent discrepancies or incompleteness before the opening of the proposals. All alterations to the Request for Proposal will be made in the form of a written communication emailed to all prospective proposers. The communications shall then be considered to be part of the Request for Proposal.

B. Submission of a proposal will be considered as conclusive evidence of the proposer's complete examination and understanding of the request.

C. The City of Scranton reserves the right to reject any and all proposals submitted and to request additional information from any Proposer. The City of Scranton reserves the right to waive minor irregularities in the procedures or proposals if it is deemed in the best interests of the City of Scranton. The City may elect, at its sole and absolute discretion, to award a Contract based on the initial proposals, or, to open negotiations, either written or oral, with one or more proposers to address performance, technical, pricing, delivery, or other provisions. If negotiations are opened, the City may elect, at its sole and absolute discretion, to conclude negotiations at any time if it is determined to be in its best interest, or they will be closed upon settlement of all questions and clarifications. Proposals may be rejected and negotiations terminated by the City. The award will be based on the offers submitted, as well as any and all negotiations conducted. The City further reserves the right to reject all proposals and seek new proposals when such procedure is considered to be in the best interest of the City.

D. The award will be made to that responsive and responsible proposer whose proposal, conforming to requirements of the request, will be most advantageous to the City, price and other factors considered. The award may or may not be made to the firm with the lowest cost.

E. The City shall have the right, without invalidating the contract, to make additions to or deductions from the items or work covered by the Request for Proposal. In case such deductions or additions are made, an

equitable price adjustment shall be made between the City and the Proposer. Any such adjustments in price shall be made in writing.

F. After notice from the City, the selected proposer will be required to enter into a contract upon receipt of a Notice of Award. If a contract is not executed by the selected proposer, then the City reserves the right to retract the Notice of Award and enter into a contract with another proposer.

G. Proposals must be in typewritten form. Unsigned proposals will not be accepted. Proposers are expected to examine the content of the request and respond accordingly. Failure to do so will be at the Proposer's risk.

H. No proposal will be accepted from or contract awarded to any person, firm or corporation that is in arrears or is in default to the City upon any contract, or that is a defaulter, as surety or otherwise, upon any obligation to the City or who had failed to faithfully perform any previous contract with the City.

I. Unless otherwise specified, all formal proposals submitted shall be binding for ninety (90) calendar days following the bid opening date and may be extended at the agreement of both parties.

J. AUTHORITY

The City of Scranton Business Administrator, as the designee of the Mayor, has the sole responsibility to respond to inquiries regarding the Request for Qualifications.

K. COMPLIANCE WITH LAWS

The firm selected shall at all times observe and comply with all laws, ordinances, regulations and codes of the federal, state, City and other local government agencies, which may in any manner affect the performance of the contract.

L. CONTRACTOR COMPLIANCE

If applicable, each respondent is required to be in compliance with the City of Scranton local tax requirements.

M. CONTRACT TERMINATION

A contract may be canceled by the City by giving the respondent written notice of intent to cancel.

N. CONTROLLING LAW

This Request for Qualifications is governed by, and will be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania without regard to any conflict of law provisions.

O. PROPOSAL INSURANCE REQUIREMENTS

By submitting a Proposal, the proposer agrees that it now carries or will carry throughout the term of any Contract generated as a result of this Request for Qualifications, at a minimum, the following types and amounts of insurance:

Workers' Compensation	Statutory
Employer's Liability	\$500,000

Professional Liability	\$1,000,000 each occurrence \$1,000,000 aggregate
Comprehensive General Liability (including Blanket Contractual Liability Insurance)	
Bodily Injury	\$1,000,000 each person \$1,000,000 each occurrence \$1,000,000 aggregate
Property Damage	\$500,000 each occurrence
Personal Injury	\$500,000
Comprehensive Automobile Liability	
Bodily Injury	\$300,000 each person \$500,000 each occurrence
Property Damage	\$500,000 each occurrence

Certificates of Insurance shall be furnished to the City of Scranton upon request.

P. BIDDER'S ETHICS AND COLLUSION

Collusive Bidding: Any firm that submits more than one proposal in such a manner as to make it appear that one of the proposals submitted is competitive with that of a different proposer, or any two or more firms that agree to fix their respective proposals in such a manner as to be awarded the contract shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.

Bribery: Any firm that attempts to influence a City official to award this contract to such proposer's firm by promising to provide or by providing to such City official any gratuity, entertainment, commission or any other gift, in exchange for a promise to award the contract to such firm shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.

Conflict of Interest: Any firm that knows of any City official having a material direct or indirect financial interest in such proposer's firm shall be required to submit a written statement, along with the Form of Proposal, detailing such interest. Failure to disclose a known such financial interest shall result in the firm's disqualification from further consideration of award of this contract.

Q. INDEMNIFICATION

1. This agreement shall be binding on the parties hereto, their heirs, successors and assigns.

R. OPEN RECORDS LAW/PUBLIC INFORMATION

Under the Pennsylvania Right-to-Know Law (the "Law"), 65 P. S. Section 67.101 et. seq., a record in the possession of the City is presumed to be a public record subject to disclosure to any legal resident of the United States, upon request, unless protected by a statutory exception.

Any contract dealing with the receipt or disbursement of funds by the City or the City's acquisition, use or disposal of services, supplies, materials, equipment or property is subject to disclosure under the Law. The following are not subject to disclosure under an exception in the Law:

1. A proposal pertaining to the City's procurement or disposal of supplies, services or construction prior to the award of a contract or prior to the opening and rejection of all bids; and
2. Financial information of a bidder or proposer requested in an invitation to bid or request for proposals to demonstrate the bidder's or proposer's economic capability.

S. TRANSFERS AND ASSIGNMENTS

1. Consultant shall not, without written consent of the City, assign, hypothecate or mortgage this agreement. Any attempted assignment, hypothecation or mortgage without the consent of the City shall render this agreement null and void.
2. Neither this agreement nor any interest therein shall be transferable in proceedings in attachment or execution against bidder or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against the respondent, or by any process of law including proceedings under Chapter X and XI of the Bankruptcy Act.

REQUIRED INFORMATION AND SCOPE OF SERVICES

Proposals must be submitted in the format outlined below.

A. PRIOR EXPERIENCE: Please document the firm's experience providing auditing services to other municipalities, specifically cities, counties, and school districts. Describe similar engagements and define the scope of engagement and description of recommendations. Experience shown should be work completed by your firm. Please refer to the audits completed by the firm including the contact information of the local government representatives.

B. SCOPE OF WORK: The City of Scranton and Scranton School District are requesting proposals from independent certified public accounting firms to conduct an independent post audit of the Scranton Single Tax Office accounts, revenues, and expenditures for the fiscal years noted in the introductory page. The City and School District will share the cost of said audit.

The post audit shall include an examination and the expression of an opinion on the financial statements of the Scranton Single Tax Office. The prospective service providers will provide professional independent certified public accounting services to conduct an on-site audit of all funds of the Scranton Single Tax Office, under the Single Audit Act of 1984, for fiscal years ending December 31, 2017 and December 31, 2018.

C. MANAGEMENT LETTER

The Audits for the proposed two (2) year period will result in an opinion with an accompanying financial management letter, relating to the financial operations of the Scranton Single Tax Office and complete financial statements reflecting the position of the funds.

C. PERSONNEL: The proposed staff shall have received continuing professional education in governmental accounting during the past two years and shall be familiar with all Government Accounting Standards Board (GASB) policies. The firm shall have a positive peer review within the last three (3) years. Peer review confirmation may be required if requested by the Office of the City Controller, City of Scranton.

E. WORK PLAN: Briefly describe your plan for accomplishing the audits/management letter. Include a proposed time schedule from start to completion. The Office of the City Controller recognizes this time schedule may present difficulties due to the scope of the audit responsibilities but also expects the firm to dedicate sufficient resources to the completion of the work on a timely basis.

An exit conference may be required at the discretion of the City of Scranton and Scranton School District.

6. PUBLICATIONS: Services provided under the scope of this Audit engagement shall be performed in accordance with the most recent adaptations of the following publications, if applicable:

The City of Scranton Home Rule Charter and Administrative Code;

Governmental Accounting, Auditing and Financial Reporting (National Committee on Governmental Accounting);

Audits of State and Local Governmental Units (American Institute of Certified Public Accountants (Latest Edition);

Compliance Auditing Considerations in Audits of Governmental Entities and Recipients of Governmental Financial Assistance;

Government Accounting Standards (Yellow Book);

Audits of State and Local Governments and Non-Profit Organizations (Single Audit Act – P.L. 104-156 – Circular Number A-133, as amended;

Commonwealth of Pennsylvania - Municipal Pension Laws, including Municipal Pension Plan Funding – Act 205 of 1985 as amended;

Grants and Agreements with State and Local Governments, Common Rule – 24 CFR Part 85, 2001 Edition (formerly OMB Circular Number A – 102, as amended through August 1997);

Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87, as amended.

8. OTHER RELEVANT DATA:

*The Audit for fiscal year 2016 was performed by Joseph Alu and Associates, Certified Public Accountants;

*The Scranton Single Tax Office accounting records are maintained, primarily, by the Collector of Taxes;

*All Real Estate Taxes and Act 511 authorized taxes are billed by the elected Collector of Taxes, with the exception of the City of Scranton and Scranton School District Earned Income Tax, which is billed and collected by Berkheimer Associates in conjunction with Act 32 of 2008;

*Audit work papers shall remain in the custody of the auditor, as appropriate. However, City and School District personnel, under the supervision of the Tax Collector, and succeeding auditors, shall be given access to audit work papers and shall have a right to copy such work papers pertaining to the audits for the years delineated in the Request for Proposal for a period of three (3) years after the delivery of the Final Report for the corresponding calendar years;

*A Work Progress update will be submitted to the officials in Section 5 according to an agreed upon schedule.

9. **SUBCONTRACTING:** The auditor shall not subcontract any work associated with this contract to any other firm unless first approved by the City of Scranton and Scranton School District;

10. **RELATIONSHIP TO THE CITY OF SCRANTON and SCRANTON SCHOOL DISTRICT:** The auditor shall provide the Office of the City Controller with a clear statement of the relationship of the firm and/or its principals with, or knowledge of, any officials or employees of the City of Scranton and Scranton School District and clearly state the nature of the same.

11. **AFFIDAVITS TO BE PROVIDED:** Proposers shall provide attached affidavits as part of the Proposal. Affidavits shall be completed in entirety.

12. **INSURANCE:** The auditor shall assume the defense of and indemnity and hold harmless the City of Scranton and Scranton School District, its officers, agents, and employees from and against any and all claims, demands, actions, suits, and proceedings by others and against all liability, both negligent and non-negligent, arising directly out of the actions of the firm/proposer in their performance of this contract. Certificates of Insurance shall be furnished to the City of Scranton upon request.

13. **MISCELLANEOUS COSTS:** All costs such as clerical, copying, travel, bonds, and incidental costs associated with the audit will be responsibility of the firm awarded the contract.

The firm awarded the contract shall be required to furnish the Office of the City Controller with a minimum of twenty (20) copies of the Final Audit covering the Audit, Management Letter, and Single Audit.

CRITERIA FOR SELECTION

1. EVALUATION: All proposals received from prospective firms will be reviewed and evaluated by the Office of the City Controller, Office of Business Administration, and Scranton School District. A recommendation will be made by the Office of the City Controller which will select the proposal which most closely meets the requirements of the Request for Proposal.

2. SELECTION BASED UPON QUALIFICATIONS: The contract will be awarded based upon the best value of the Scranton Single Tax Office, City of Scranton, and Scranton School District.

SERVICE EVALUATION:

1. GENERAL: The proposing firm has the responsibility to develop and present a detailed scope of work. The detailed scope of work proposed, at a minimum, should be designed to accomplish the goals of the Request for Proposal and fully address the primary elements identified in the RFP;

2. BACKGROUND: Please provide a brief history of your company (and, if applicable, parent company). Include the names of personnel, in short biographical form, who will be engaged in the projected work with the Scranton Single Tax Office;

3. SERVICES – GENERAL: Please provide a brief description of the services provided by your firm to the Scranton Single Tax Office, if selected;

4. SERVICES – SPECIFIC: Please provide a sample report that your firm developed for reporting data that would comprise a representative sample of your firm's work.

All responses must be received by 10:00 A.M. September 10, 2018. Questions should be submitted to either jreed@scrantonpa.gov, or dbulzoni@scrantonpa.gov by September 3, 2018. Subject line of questions and/or responses should read: "Single Tax Office Independent Post Audit".

In addition to the attachments, all Proposals submitted to the City of Scranton shall include the following:

A certificate of insurance of the prospective bidder's insurance coverage. All insurance coverages must be kept in effect during the contract period. The loss of insurance coverages could result in voiding of the contract.

- 1.) A statement of assurance that the prospective bidder is not currently in violation of any regulatory rules and regulations that may have any impact on its operations.
- 2.) A statement that the prospective bidder is not involved in any current litigation with the City.

Attachment A.

Affirmative Action Certification

During the term of this contract, Bidder agrees as follows:

(1) Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex, or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.

(2) Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.

(3) Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.

(4) It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it; such a factor shall be considered in mitigation in determining appropriate sanctions.

(5) Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.

(6) Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

(7) Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.

(8) Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.

(9) Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.

(10) Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: _____

(Name of Bidder)

BY: _____

TITLE: _____

Attachment B.

Certificate of Non-Segregated Facilities

The bidder certifies that he does not maintain or provide for his employees and segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal Opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term "segregated Facilities," means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: _____

(Name of Bidder)

BY: _____

TITLE: _____

Attachment C.
Non-Collusion Affidavit of Prime Bidder

STATE OF _____
COUNTY OF _____

_____,
being first duly sworn, deposes and says that:

1. He is _____
(Owner, partner, officer, representative or agent)
of _____, the Bidder that has
submitted the bid;
2. He is fully informed respecting the preparation and contents of the attached Bid and
of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents,
Representatives, employees or parties in interest, including this affiant, has in any
way colluded, conspired, connived or agreed, directly or indirectly with any other
Bidder, firm or person to submit a collusive or sham Bid in connection with the
Contract for which the attached Bid has been submitted or to refrain from bidding in
connection with such Contract, or has in any manner, directly or indirectly, sought by
agreement or collusion or communication or conference with any other Bidder, or to
Bidder, or to secure through any collusion, conspiracy, connivance or unlawful
agreement any advantage against the City of Scranton (Local Public Agency) or any
person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted
by any collusion, conspiracy, connivance or unlawful agreement on the part of the
bidder or any of its agents, representatives, owners, employees or parties in interest,
including this affiant.

Non-Collusion Affidavit
Signature Page

Signed _____

(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME

THIS _____ DAY OF _____

_____, 20____

(TITLE)

MY COMMISSION EXPIRES _____

_____, 20____

Attachment D.

Disclosures by Current Contractors

THE QUESTIONS LISTED BELOW MUST BE ANSWERED OR THE PROPOSAL WILL BE SUBJECT TO OMISSION.

1. Within the proposal, please provide the names and titles of all individuals providing professional services to the City of including advisors and subcontractors, if any. After each name, please provide the responsibilities of that person with regard to the professional services provided to the City of Scranton.
2. Since January 1, 2013, have any of the individuals identified in paragraph one above been employed by the City of Scranton. If yes, please identify the individual by his/her name and position with the City of Scranton and dates of employment.
3. Since January 1, 2013, has the Contractor employed paid compensation to a third party intermediary, agent, or lobbyist to directly or indirectly communicate with any City official in connection with any transaction or investment involving the Contractor and the City of Scranton. This question does not apply to any officer or employee of the Contractor who is acting within the scope of the Contractor's standard professional duties on behalf of the Contractor including the actual provision of legal, accounting, engineering, real estate, or other professional advice, services or assistance pursuant to its professional services contract with the City of Scranton.
4. Since January 1, 2013 has any agent, officer, director, or employee of the Contractor solicited a third party to make a political contribution to any municipal official or candidate for municipal office in the City of Scranton.
5. Since January 1, 2013, has the contractor made any Contribution to a municipal official or candidate for municipal office in the City of Scranton.
6. Does the Contractor have a direct financial, commercial, or business relationships with City official. With regard to every municipal official for which the answer is yes, identify that individual and provide a description of that relationship.
7. Since January 1, 2013, has the Contractor conferred any gift of more than nominal value to any individual on the List of Municipal Officials. A gift includes money, services, loans, travel, and entertainment, at value or discounted value.
8. Regarding the provision of professional services to the City of Scranton, are you aware of any conflicts of interest, whether apparent, potential, or actual, with respect to any officer, director, or employee of the Contractor and officials or employees of the City of Scranton. If yes, please provide an explanation of the circumstances which you believe provide a basis to conclude that an apparent, potential, or actual conflict of interest may exist.
9. One of the individuals identified by the Contractor in paragraph one must participate in completing this form and must sign the verification statement below.

VERIFICATION

I, _____, hereby state that I am _____

for _____, and am authorized to make this verification.

I verify that the facts set forth in the foregoing Disclosure Form for entities providing professional services to the City of Scranton are true and correct to the best of my knowledge, information, and belief. I understand that false statements herein are made subject to penalties of 18 P.A.C.S section 4904 relating to unsworn falsification to authorities.

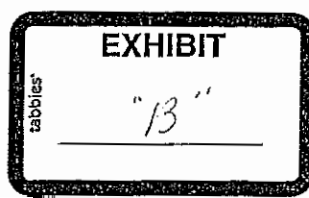
Signed: _____

Date: _____

PROPOSAL FOR INDEPENDENT POST AUDIT SERVICES

FOR THE

SCRANTON SINGLE TAX OFFICE
FOR FISCAL YEARS ENDING
DECEMBER 31, 2017
AND
DECEMBER 31, 2018



PROPOSAL

PRESENTED BY:

Joseph M. Alu, CPA

Joseph M. Alu and Associates, P.C.

Certified Public Accountants

321 Spruce Street

Suite 1000

Scranton, PA 18503

570-342-0405

570-342-0422

jalu@aluassoc.com

Date: September 28, 2018

This proposal is confidential and contains proprietary information. Neither the proposal nor any of the information contained in the plan may be reproduced or disclosed to any person under any circumstances without express written consent of Joseph M. Alu and Associates.

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Scranton Single Tax Office

Thank you for the opportunity to present a proposal to provide professional auditing services.

Joseph M. Alu and Associates, P.C. is anxious and willing to provide the requested services. We can assure you that we are prepared to provide the highest level of attention and the best quality service that you deserve.

You may also be assured that we will allocate the resources necessary to serve your interests and objectives.

PRIOR EXPERIENCE

Joseph M. Alu and Associates, PC has a significant non-profit and governmental client base and it continues to grow because of our desire to provide high quality services. As such, our firm has been able to maintain our long-standing client relationships. Our client base is comprised of a variety of different types and sizes of entities, all of which continue to broaden the experience base of our staff. Joseph M. Alu, CPA, has been providing audit and consulting services for over 30 years. Tami Bendzel-Mangan, CPA, has been providing audit and accounting services for over 15 years. Below, we highlight engagements we have completed which are similar to the Scranton Single Tax Office.

We have audited the following entities in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of The United States:

- Children's Advocacy Center NEPA (a non-profit organization)
Contact: Mary Ann LaPorta 570-969-7313
- Emergency Medical Services of Lackawanna County (governmental entity funded by grants from the Commonwealth of PA)
Contact: John Campos 570-655-6818
- City of Pittston Parking Authority (a municipal authority under the Commonwealth of PA)
Contact: Joseph Moskovitz 570-654-0513
- Redevelopment Authority, The County of Lackawanna (a municipal authority under the Commonwealth of PA)
Contact: Kevin Mitchell 570-963-6830
- Springbrook Township Sewer Authority (a municipal authority under the Commonwealth of PA)
Contact: Cheryl Bosley 570-842-0633
- City of Carbondale, PA (a municipality in the Commonwealth of PA)
Contact: Mayor Justin Taylor 570-282-4633

In addition, we provided audit services for the years ending December 31, 2015 and December 31, 2016 for the Scranton Single Tax Office.

SCOPE OF WORK & MANAGEMENT LETTER

Joseph M. Alu and Associates PC, an independent Certified Public Accounting firm, is proposing to conduct an on-site, independent post audit of the Single Tax Office accounts, revenues and expenditures for the fiscal years December 31, 2017 and December 31, 2018.

The post audit will include an examination and auditor's opinion on the financial statements of the Scranton Single Tax Office.

In addition, the auditor's opinion will have an accompanying financial management letter, relating to the financial operations and internal control standards of the Scranton Single Tax Office and complete financial statements reflecting the fund position.

PERSONNEL

Joseph M. Alu and Associates, P.C. was formed by Joseph M. Alu, a CPA registered in Pennsylvania and New York. Joseph M. Alu and Associates, P.C. brings forth over 30 plus years of financial and business experience in the areas of financial accounting (including audits of financial statements), tax planning and return preparation, and general business consulting services.

Mr. Alu graduated from the University of Scranton with a BS in Accounting and an Associates Degree in Marketing from the Pennsylvania State University. He is a member of the American Institute of Certified Public Accountants, the Pennsylvania Institute of Certified Public Accountants, and the Pennsylvania Society of Public Accountants. Mr. Alu served two terms with the Pennsylvania State Board of Accountancy, including a term as chairman. He also serves on the Regional Boards for PNC Bank and The Worthington Scranton Campus of Penn State University.

Mr. Alu's focus is on accounting and auditing financial statements for small to medium sized businesses, both commercial, government and

nonprofit organizations, with a strong emphasis on review and auditing services. Mr. Alu has the combined attributes of technical competence and unwavering client service.

In addition to Joseph Alu, the audit team will consist of Tami Bendzel-Mangan, CPA who has over 15 years combined audit, accounting, and tax experience with a significant portion of experience in governmental and non-profit entities. Ms. Mangan graduated from Penn State University with a B.S. in Accounting. She is a member of the Pennsylvania Institute of Certified Public Accountants, The American Institute of Certified Public Accountants, and The Pennsylvania Society of Public Accountants. She is a certified member of the American Institute of Certified Public Accountants Personal Financial Planning (PFP) section.

Our firm is independent with respect to the Tax Office and is not in violation of any regulatory regulations. We are not involved in any litigation with the City. All staff are current with CPE requirements, including requirements related to governmental accounting and auditing.

Attached for your review is a copy of our most recent Peer Review Report.

WORK PLAN

Our work plan pertaining to the audit is as follows:

Fiscal year 2017 - a thorough review of controls, the last audit report issued, and all documentation related to this will be completed. In addition, observation of staff during operations will be necessary to determine operations, and controls in place presently. Recommendations made in the prior audit report will be reviewed to determine their implementation. Through interviews with staff and management we will start creating our detailed audit program based on whether controls were in place and if so, were sufficient.

Fiscal year 2018 –based on prior year results, we will continue our testing of controls and financial statement accounts to ensure compliance with Governmental Auditing Standards.

There are several reasons to choose our firm to provide the services you require:

- We will go beyond the initial purpose of the service to not only independently report on historic financial and program

compliance information, but continually look for opportunities and efficiencies that could enhance your operations, strengthen internal controls, and contribute to your success. Any opportunities for improvements that we identify will be communicated to you and your management team as a normal part of the engagement.

- Our goal is to provide exceptional, timely services to our clients at reasonable rates that help to contain your costs. We will always do our very best not only to meet, but to exceed your expectations.
- Throughout the servicing of your organization, we will be available as necessary and at your request, to meet with and discuss with management, Board of Directors, and funding sources the results of work we have performed. Our direct discussion and participation with the various parties has proven in the past to be beneficial in providing additional understanding and professional insight on behalf of our clients.
- Our service team will conscientiously attempt to minimize work disruptions for your personnel throughout the engagement. You can be assured that all of our personnel assigned to service your needs are highly experienced and professional, and developing a long-term relationship with you is our goal.

We are familiar with the appropriate guides and professional pronouncements regarding audits of governmental entities. We also are

familiar with the subject matter of the services you require and have experience with this type of entity and with the operations of the Tax Office. Through the work we completed for fiscal year December, 31, 2014, we have recent and relevant information which will allow us to provide an efficient and effective audit.

If selected, we will begin the audit of December 31, 2017, on or about October 22, 2018. We believe a reasonable time frame for the scope of work required is one month, which will end field work on approximately November 22, 2018 for the 2017 audit.

We will begin the audit for December 31, 2018, once the report is issued for December 31, 2017, and payment for services received. The time frame for services requested will be approximately one month.

BID PROPOSAL

1. 2017 – Audit Cost	<u>\$12,000.</u>
2. 2018 – Audit Cost	<u>\$12,000.</u>
 Total	 <u>\$24,000.</u>

CLAUDE W. SPIRON

Certified Public Accountant

821 Shadebrush Ridge, West Chester, Pennsylvania 19382 ♦ 610.733.7459 ♦ Fax 610.429.4649

Report on the Firm's System of Quality Control

To the Owners of
Joseph M. Alu and Associates, P.C.
and the Peer Review Committee of the Pennsylvania Institute of CPAs

February 20, 2018

I have reviewed the system of quality control for the accounting and auditing practice of Joseph M. Alu and Associates, P.C. (the firm) in effect for the year ended September 30, 2017. My peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on my review.

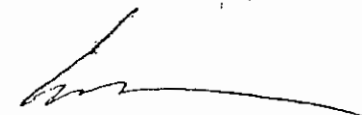
Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards* and an audit of an employee benefit plan.

As a part of my peer review, I considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of my procedures.

Opinion

In my opinion, the system of quality control for the accounting and auditing practice of Joseph M. Alu and Associates, P.C. in effect for the year ended September 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Joseph M. Alu and Associates, P.C. has received a peer review rating of *pass*.



Claude W. Spiron, CPA



ALUJO-1

OP ID: MP

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/24/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER C. C. Young Insurance Agy. Inc 1331 Wyoming Ave. Scranton, PA 18509 Mark D. Young	570-346-7021	CONTACT NAME: Mark D. Young PHONE (A/C, No, Ext): 570-346-7021 FAX (A/C, No): 570-342-8487 E-MAIL ADDRESS:
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Twin City Fire Insurance		29459
INSURER B: Travelers Casualty & Surety Co		19038
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	SUBROGATION	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			44SBAAJ7691	08/02/2018	08/02/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	UB002L012251	08/03/2018	08/03/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	PROFESSIONAL LIAB			AP0308144	08/02/2018	08/02/2019	EACH OCC \$ 2,000,000 DEDUCT 5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

Scranton Single Tax Office
Unit 216
100 The Mall at Steamtown
Scranton, PA 18503

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Attachment A.

Affirmative Action Certification

During the term of this contract, Bidder agrees as follows:

- (1) Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.
- (2) Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
- (3) Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.
- (4) It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it, such a factor shall be considered in mitigation in determining appropriate sanctions.
- (5) Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.
- (6) Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.
- (7) Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of

Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.

- (8) Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.
- (9) Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.
- (10) Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE:

October 1, 2018

Joseph M. Albi, PC.

(Name of Bidder)

BY:

Joseph M. Albi, CPA.

TITLE:

President

Attachment B.

Certificate of Non-Segregated Facilities

The bidder certifies that he does not maintain or provide for his employees and segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term "segregated Facilities," means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: October 1, 2018

Joseph M. McQuinn, Jr.

(Name of Bidder)

BY: Joseph M. McQuinn, Jr., CPA.

TITLE: President

Attachment C.
Non-Collusion Affidavit of Prime Bidder

STATE OF Pennsylvania

COUNTY OF Lackawanna

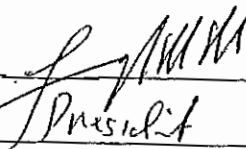
Joseph M. Alu, CPA.
being first duly sworn, deposes and says that:

1. He is Owner
(Owner, partner, officer, representative or agent)

of Joseph M. Alu & Sons, PC, the Bidder that has
submitted the bid;

2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents, Representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, or to Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Scranton (Local Public Agency) or any person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees or parties in interest, including this affiant.

Non-Collusion Affidavit
Signature Page

Signed 
President
(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME

THIS 1st DAY OF October
, 2018

Joseph M. Alu
President
(TITLE)

Beverly J. Finnerty
MY COMMISSION EXPIRES June
29, 2020

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
BEVERLY J. FINNERTY, Notary Public
City of Scranton, Lackawanna County
My Commission Expires June 29, 2020

Attachment D.

Disclosures by Current Contractors

Joseph Allen, CPA
Auditing Sample
This Office

1. Provide the names and titles of all individuals providing professional services to the City of including advisors and subcontractors, if any. After each name, please provide the responsibilities of that person with regard to the professional services provided to the City of Scranton.

- List the names of any of the above individuals who are current or former officials or employees of the City of Scranton and their position; None
- List the names of any of the above individuals who has been a registered federal or state lobbyist and the date of the most recent renewal/registration. None

2. Since January 1, 2011, have any of the individuals identified in paragraph one above been employed by the City of Scranton. If yes, please identify the individual by his/her name and position with the City of Scranton and dates of employment. No

3. Since January 1, 2011, has the Contractor employed paid compensation to a third party intermediary, agent, or lobbyist to directly or indirectly communicate with any individual on the list of municipal officials in connection with any transaction or investment involving the Contractor and the City of Scranton. This question does not apply to any officer or employee of the Contractor who is acting within the scope of the Contractor's standard professional duties on behalf of the Contractor including the actual provision of legal, accounting, engineering, real estate, or other professional advice, services or assistance pursuant to its professional services contract with the City of Scranton. No

4. Since January 1, 2011 has any agent, officer, director, or employee of the Contractor solicited a third party to make a political contribution to any municipal official or candidate for municipal office in the City of Scranton or to the political party or political committee for whom the solicitation was made. If yes, please identify the agent, officer, director, or employee who made the solicitation; the individual or individuals who were solicited, and the municipal officers, candidates, political party, or political committee for whom the solicitation was made. No

5. Since January 1, 2011, has the contractor made any Contribution to a municipal official or candidate for municipal office in the City of Scranton. If yes, please identify the recipient, the amount, and the date of the contribution. No

6. Does the Contractor have a direct financial, commercial, or business relationships with any individual on the List of Municipal Officials. With regard to every municipal official for which the answer is yes, identify that individual and provide a detailed written description of that relationship. No

7. Since January 1, 2011, has the Contractor conferred any gift of more than nominal value to any individual on the List of Municipal Officials. A gift includes money, services, loans, travel, and entertainment, at value or discounted value. With regard to every municipal official for which the answer is yes, identify the recipient, the gift, and the date it was conferred. No

8. Did the Contractor make political contributions the meet all of the following four criteria: (i) The contribution was made at any time since January 1, 2011; (ii) the contribution was made by an officer, director, executive-level employee, or owner of at least five percent (5%) of the Contractor; (iii) the amount of the contribution was at least \$500.00 in the form of either a single contribution by an officer, director, executive-level employee or owner of at least five percent (5%) or the aggregate of all contributions by all officers, directors, executive-level employees, and owners of at least five percent (5%) and (iv) the contribution was made to a candidate for any public office in the Commonwealth of Pennsylvania or to an individual who holds that office, or to a political committee of a candidate for public office in the Commonwealth of Pennsylvania or of an individual who holds that office. If yes, then the Contractor shall provide the following information: the name and address of the contributor, the contributor's relationship to the Contractor, the name and office or position of each recipient, the amount of the contribution, and the date of the contribution. *None*
9. Regarding the provision of professional services to the City of Scranton, are you aware of any conflicts of interest, whether apparent, potential, or actual, with respect to any officer, director, or employee of the Contractor and officials or employees of the City of Scranton. If yes, please provide a detailed written explanation of the circumstances which you believe provide a basis to conclude that an apparent, potential, or actual conflict of interest may exist. *None*
10. Please provide the name(s) and person(s) completing this form. One of the individuals identified by the Contractor in paragraph one must participate in completing this form and must sign the verification statement below.

VERIFICATION

I, Joseph M. Mh., hereby state that I am Owner

for Joseph M. Mh. & Co., PC, and am authorized to make this verification.

I verify that the facts set forth in the foregoing Act-44 Disclosure Form for entities providing professional services to the City of Scranton are true and correct to the best of my knowledge, information, and belief. I understand that false statements herein are made subject to penalties of 18 P.A.C.S section 4904 relating to unsworn falsification to authorities.

Signed: 

Date: October 1, 2018



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

RECEIVED

NOV 16 2018


To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT BETWEEN THE CITY OF SCRANTON AND THE SCRANTON SCHOOL DISTRICT WITH JOSEPH M. ALU AND ASSOCIATES TO PERFORM THE SCRANTON SINGLE TAX OFFICE INDEPENDENT AUDIT FOR FISCAL YEARS ENDING DECEMBER 31, 2017 AND DECEMBER 31, 2018.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION BY THE CITY OF SCRANTON TO THE LACKAWANNA HERITAGE VALLEY NATIONAL AND STATE HERITAGE AREA PARTNERSHIP GRANT APPLICATION FOR CONSTRUCTION ON THE WENZEL TREEHOUSE REPAIRS IN THE AMOUNT OF \$1,000.00.

WHEREAS, the City of Scranton is applying for funding through the Lackawanna Heritage Valley National and State Heritage Partnership Grant Application. The purpose of this funding is to repair the Wenzel Treehouse located in Nay Aug Park. This Project is based around two goals: – first, to ensure the Treehouse is a safe and secure structure; and second, to reopen this all season unique feature of Nay Aug Park. A copy of the grant application (“Grant Application”) and supplemental items are attached hereto as Exhibit “A” and incorporated herein as if set forth at length; and

WHEREAS, the Lackawanna Heritage Valley National and State Heritage Area is a partnership of government, business, civic organizations, and individuals dedicated to the development of the region’s historic, cultural, economic, and national resources through preservation, education, and promotion of our heritage; and

WHEREAS, the Wenzel Treehouse, a fully handicapped accessible structure, is the first of its kind in the area; the construction was made possible by partnership between local government and foundations. The Treehouse provides a majestic view 150 feet above the Gorge, a spot previously unseen by most. This grant funding would allow the City of Scranton to restore a key piece of Nay Aug Park that visitors had been enjoying for years.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate city officials are hereby authorized to apply for and execute a Grant Application to the Lackawanna Heritage Valley National and State Heritage Area Partnership Grant for construction on the Wenzel Treehouse repairs in the amount of \$1,000.00.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid, or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally

enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, Known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



Lackawanna Heritage Valley National and State Heritage Area

213 South 7th Avenue, Scranton, PA 18505
Phone: 570.963.6730 x8200 ♦ Fax: 570.963.6732

Partnership Grant Application 2018

LHV Use Only

Received _____
Accepted _____
Denied _____
Modified _____
Amount _____
Initials _____

General Information: Before completing this application, please contact April Rogato, LHV Executive Assistant, at 570.963.6730 x8200 or arogato@lhva.org to discuss your project.

Instructions:

1. Please complete all the sections. An electronic (email) copy and a printed (paper) copy, signed by an official, are required.
 2. Electronic (email) completed application is to be sent to arogato@lhva.org.
 3. Printed (paper) completed application must be signed by your organization's authorizing official (Executive Director, Board of Directors Chairperson, President, etc.)
- This application may be sent by postal mail or hand delivered to the above address.

APPLICANT: (Name of organization/agency managing the project)

City of Scranton

FEDERAL EMPLOYER I.D. NO.: 246000704

DUNS NO: 060497856-7856

APPLICANT MAILING ADDRESS: (Street, city, state, zip)

340 North Washington Ave, Scranton, PA 18503

PHONE NUMBER: (570)-348-4105

FAX NUMBER:

PROJECT COORDINATOR: (Name and title of person managing project)

Jessica Eskra, Esquire, City Solicitor/Deputy Mayor

EMAIL ADDRESS: jeskra@scrantonpa.gov

PHONE NUMBER: (570)-348-4105

TYPE OF ORGANIZATION: (Check one)

☒ Government Entity ☐ Non-Profit Org. ☐ Educational Institution

WEBSITE:

scrantonpa.gov

PROJECT TITLE: Wenzel Treehouse Repairs

PROJECT START DATE: Fall 2018

PROJECT END DATE: Spring/Summer 2019

AUTHORIZING OFFICIAL: (President, Chair, etc.—the head of the applicant organization who signs below)

Jessica Eskra, Deputy Mayor

PROJECT LOCATION: (Municipality(s) and County(s))

Scranton, Lackawanna

BRIEF PROJECT DESCRIPTION: (Please limit description to 200 words)

See attached.

SUMMARY OF ESTIMATED PROJECT COST/GRANT REQUEST (Complete worksheets on pgs. 3 & 4 first)

A.	\$	IN-KIND/VOLUNTEER SERVICES DONATED
B.	\$	CASH PROJECT COSTS
A+B =	C. \$ 187,000	TOTAL PROJECT COST (How much it will cost to do your project, including any In-kind donations)
D.	\$ 1,000	AMOUNT YOU ARE REQUESTING FROM LACKAWANNA HERITAGE VALLEY
E.	\$	AMOUNT OF TOTAL MATCHING FUNDS (cash, earned income, other grants, etc.)

Signature of Authorizing Official

Jessica Eskra

THE DEPUTY MAYOR/
CITY SOLICITOR

Date 11/1/18

EXHIBIT

"A"

Lackawanna Heritage Valley National and State Heritage Area

2. Project Scope

A. What is/are the goals and purpose of this project?

The City of Scranton is applying for funding through the Lackawanna Heritage Valley National and State Heritage Partnership Grant Application. The purpose of this funding is to repair the Wenzel Treehouse located in Nay Aug Park. This project is based around two goals- first, to ensure the Treehouse is a safe and secure structure and second, to re-open this all season unique feature of Nay Aug Park.

B. Who is the intended audience?

The intended audience is Scranton residents and visitors of Nay Aug Park.

C. How do you intend to measure whether or not your goals have been attained?

The goals will be measured by first performing a safety inspection on the Treehouse once repairs are complete and second, monitoring the Treehouse throughout the year to ensure it remains secure and accessible to visitors.

D. Describe the process you will use to ensure public participation

Nay Aug Park draws multitudes of visitors throughout the year for the various attractions located in the park including the Everhart Museum, swimming complex, Davis Trail, playgrounds, Rose Garden, the City's annual Holiday Light Display in addition to the numerous events that are held at the park annually. Nay Aug Park is a much used recreational resource in the City; prior to the closing of the Treehouse, it was regularly utilized by visitors of the park.

E. What is the project timetable (list phases and when you intend to start and complete each)

The repairs are expected to commence in the Fall of 2018 and be completed in the Spring/Summer of 2019.

3. Funding Goals of the Lackawanna Heritage Valley National and State Heritage Area

1. Facilitate partnerships and strengthen local charity

The Wenzel Treehouse is funded through public/private partnerships including the City of Scranton, Lackawanna County, Weston Foundation, and the Shade Tree Commission.

2. Tell the story of the Lackawanna Heritage Valley

"The Lackawanna Heritage Valley National and State Heritage Area is a partnership of government, business, civic organizations, and individuals dedicated to the development of the

region's historic, cultural, economic, and natural resources through preservation, education, and promotion of our heritage". The Wenzel Treehouse, a fully handicapped accessible structure, is the first of its kind in the area; the construction of which was made possible by partnerships between local government and foundations. The Treehouse overlooks the Gorge, a unique natural resource and is located in the historic Nay Aug Park.

3. Preserve and enhance the physical character and economic vitality of Heritage Valley Communities

The Treehouse provides a majestic view 150 feet above the Gorge, a spot previously unseen by most. The accessibility of the Treehouse is part of what makes it unique as it is handicap accessible and able to be accessed by visitors of all ages and abilities.

4. Improve the visitor experience

From visitors accessing the Treehouse for its unique view to wedding ceremonies and photographs the Treehouse was utilized on a daily basis. This grant funding would allow the City of Scranton to restore a key piece of Nay Aug Park that visitors had been enjoying for years.

5. Reconnect communities and people to the Lackawanna River

Roaring Brook, a tributary of the Lackawanna River flows through Nay Aug Park. One of the key features of the Treehouse is the view and access it provides to Roaring Brook flowing through the Nay Aug Gorge, which is listed on the National Register of Geological Landmarks. Repairing and re-opening the Treehouse will reconnect visitors to some of our area's natural resources.

5. Cost Estimate/Budget Worksheet

Using the tables below, provide a cost estimate to complete the project. The cost estimate should indicate which work items will be paid for in cash and which will be completed through in-kind or volunteer services. LHV funds require a dollar-for-dollar match of public or private monies — or a combination of the two. LHV grants cover no more than fifty percent (50%) of direct project costs. After you complete each budget table, transfer the total to the appropriate lines on page one as instructed. For complete instructions, please refer to Grant Seeking Guidelines for Partnership Grants at <http://www.lhva.org/partnership-grants/>. Add rows to the tables as necessary.

See attached.

5a. In-Kind / Volunteer Services (Line A on page one)

In-kind contributions are non-cash donations for the project contributed by the applicant or by a third-party. In-kind and volunteer services cannot be counted as part of the required cash match for a grant. (Add rows as needed.)

Description of Donated Goods or Services	Amount
See attached.	
TOTAL OF ALL DONATED GOODS & VOLUNTEER SERVICES (Line "A" on page 1)	

5b. Matching Funds (Line E on page one)

NOTE: You will need to verify all Matching Funds when the project is completed and you submit the Final Report, so only list matching funds for which you believe you will have documentation.

Matching Funds include money raised for the project by the applicant through sources such as grants and earned income. Applicants must demonstrate a dollar-for-dollar cash match for all funds requested from LHV. **Public Matching Funds** include financial support from government agencies. **Private Matching Funds** are monies from non-governmental organizations or agencies, including cash donations and estimated earned income. (Add rows as needed.)

List All Matching Funds.

Source	Amount	Note whether the source is: Federal, State, or Local Government; or Private	Are the funds: In Hand, Applied For, or Pending
See attached.			
TOTAL OF MATCHING FUNDS (Line "E" on page 1)			

5c. Project Budget.

Detail the project's total estimated eligible costs by type and dollar amount. Include calculations if necessary. Add extra lines if needed. Documentation of all expenses, including invoices and proof of payment, must be included with Final Report.

Description of Expense	LHV Requested Amount	+	Applicant Match	=	Totals
See attached.		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
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		+		=	
		+		=	
		+		=	
TOTALS		+		=	
	Include total on line "D" on page 1.	+	Include total on line "E" on page 1.	=	Include total on line "B" on page 1.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

MEMORANDUM

TO: Roseann Novembrino, City Controller
David Bulzoni, Business Administrator
Rebecca McMullen, Finance Manager
Brian Fallon, Director of Parks and Recreation

FROM: Jessica Eskra, Esquire
City Solicitor/Deputy Mayor *JEE*

DATE: October 30, 2018

RE: City of Scranton – Wenzel Treehouse Repairs

We have awarded the contract for the above project to MarPaul for a total bid amount of \$187,000. The funding for this project and their sources are as follows:

\$	10,000	Lackawanna County Grant
	1,000	LHVA Grant
	87,856	Balance contained in the Scranton Area Foundation account
	<u>88,144</u>	Parks and Recreation Capital Expenditure Line Item
\$	187,000	TOTAL

BID FORM

BID FOR CONTRACT

City of Scranton Controller

Scranton, PA 18503

BID OF Mar-Paul Co., Inc.

(Company Name, Address w/Zip Code)

1335 Veterans Memorial Drive, Jessup, PA. 18434

Telephone Number: (570) 489-4400

Members of the Board of the City of Scranton:

1. In conformity with the drawings and specifications as prepared by Greenman Pedersen Inc., and after an examination of the location and nature of the required work, and the Contract Documents, including Invitation to Bid, Instruction to Bidders, Attachments to the Instructions to Bidders, this Form of Bid, the Form of Owner-Contractor Agreement, the Bid Bond, the General Conditions, the General Requirements, and the Drawings, Plans and Specifications, the undersigned submits this Bid and encloses herewith

(A) as a Bid Guaranty, a certified check, bank cashier's check, trust company treasurer's check, bid bond on the form enclosed and furnished by the Owner, or other form of security permitted by applicable law, in an amount of not less than ten percent (10%) of the total of the hereinafter stated Base Bid made payable to or indemnifying the City of Scranton, which bond it is understood will be forfeited to and retained by the Owner, as liquidated damages, if this Bid or any part thereof is acceptable by the Owner, and the undersigned shall fail to furnish approved bonds, other required documents, and the executed contract within ten (10) days from date of issuance of the award.

(B) A Non-Collusion affidavit under the Antbid-Rigging Act, certifying that the undersigned is the only person(s) interested in this Bid as principal, and that the Bid is made without collusion with any person, firm, or corporation.

(C) An Affirmative Action Certification stating that Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap.

(D) Certificate of Non-Segregated Facilities stating that the Bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained.

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BID FOR CONTRACT

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(D) Certificate of Non-Segregated Facilities stating that the Bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained.

Certificate of Authority (or the Application in circumstances more fully described in the Instructions to Bidders) required of all corporations not domiciled in the Commonwealth of Pennsylvania.

2. It is understood and agreed that this Bid will remain effective for a period of 90 days in accordance with the provisions of the Instructions to Bidders.

Bidder agrees that, if awarded contract, he will furnish and deliver all materials, transportation, secure all permits and licenses, do and perform all labor, superintendence, pay all fees and do all incidental work and to execute, construct and finish in an expeditious, substantial and workmanlike manner, in accordance with the drawings, plans and specifications and other contract documents to the complete satisfaction and acceptance of the Owner for the above captioned contract for the price hereinafter stated.

STIPULATED SUM PROPOSAL

LUMP SUM BASE BID

For all Base Bid work, complete as specified and as shown on the Contract Drawings, Plans, and Specifications, the sum of:

One hundred, seventy three thousand and 00/100

(DOLLARS) (\$173,000.00)

BIDDER MUST INSERT THE BID BOTH IN WRITING AND NUMERICALLY

UNIT PRICE SCHEDULE

Unit Price No. 1 - 4000 PSI Concrete per Design Documents

5 @ \$ 300.00 / C.Y.= \$ 1,500.00

Unit Price No. 2 - 2x6 Roof Decking per Design Documents

16 @ \$ 75.00 / L.F.= \$ 1,200.00

Unit Price No. 3 - Roof Shingles per Design Documents

10 @ \$130.00 / S.F.= \$ 1,300.00

Unit Price No. 4 - 2x6 Timber Decking per Design Documents

16 @ \$110.00 / L.F.= \$ 1,760.00

Unit Price No. 5 - 3 1/2x18 Glulam Timber Framing per Design Documents

16 @ \$ 140 / L.F.= \$ 2,240.00

Unit Price No. 6 - 2 1/2x21 Glulam Timber Framing per Design Documents

16 @ \$ 150 / L.F.= \$ 2,400.00

Unit Price No. 7 - 2x6 Joist Timber Framing per Design Documents

16 @ \$ 95 / L.F.= \$ 1,520.00

Unit Price No. 8 - Structural Steel Painting per Design Documents

10 @ \$ 2.30 / S.F.= \$ 23.00

Unit Price No. 9 - 1/2 Round Wood Handrail per Design Documents

10 @ \$ 50 / L.F.= \$ 500.00

Unit Price No. 10 - Anti-Slip Surface per Design Documents

20 @ \$ 30 / S.F.= \$ 600.00

TOTAL AMOUNT OF BID = LUMP SUM + UNIT PRICES SCHEDULE ITEMS #1 thru #10

= \$ 187,000.00

One hundred, eighty seven thousand and 00/100
Insert the total amount of Bid both in writing and numerically

[If Bidder is a corporation:]

(CORPORATE SEAL)

Mar-Paul Co., Inc.

Name of Bidder-Corporation

ATTEST:

President or Vice-President

Marilyn Bamford
Secretary or Treasurer

By Robert J. Bamford

The Mar-Paul Co., Inc. is a corporation organized and existing
under the Laws of Pennsylvania

[If a foreign corporation:] _____ has /has not [circle one] been granted a certificate of authority to do business in Pennsylvania, as required by the Business Corporation Law, approved May 5, 1933, P. L. 364, as amended to date.

[If a foreign corporation that has not been granted a certificate:] _____ has applied for a certificate of authority to do business in Pennsylvania, as required by the Business Corporation Law, approved May 5, 1933, P. L. 364, as amended to date, and a copy of the application is attached.

[If Bidder is a partnership:]

WITNESS:

Name of Bidder-Partnership _____

Signature of an authorized
Partnership representative

(seal)

(seal)

(seal)

(seal)

(Affix additional partner
signatures if necessary)

[If Bidder is an individual:]

Trade or Business Name of
Proprietorship

Name of Bidder-Individual
(printed)

WITNESS:

(seal)

Signature of Bidder-Individual

Our firm is not currently in violation of any regulatory rules and regulations that may have any impact on the firm's operations; and the firm or principals are not involved in any current or pending litigation involving City of Scranton, or any of its Departments or Authorities. There are no conflicts of interest to which the firm would be subject if it were to provide the requested services on behalf of the City.

ADDENDUM CONFIRMATION:

☒ Addendum Nos. 1 thru 1

Contractor to submit one set of original signed documents and five (5) copies.

AFFIRMATIVE ACTION CERTIFICATION

During the term of this contract, Bidder agrees as follows:

1. Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.
2. Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will received consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
3. Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.
4. It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it, such a factor shall be considered in mitigation in determining appropriate sanctions.
5. Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.
6. Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

7. Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.
8. Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.
9. Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.
10. Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: September 24, 2018

Mar-Paul Co., Inc.
(Name of Bidder)

BY 
Robert J. Bamford

TITLE Vice President

CERTIFICATE OF NON-SEGREGATED FACILITIES

The bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term Segregated Facilities, means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: September 24, 2018

Mar-Paul Co., Inc.
(Name of Bidder)

BY 
Robert J. Bamford,

TITLE Vice President

NON-COLLUSION AFFIDAVIT

Contract/Bid No. _____

Commonwealth/State of Pennsylvania _____

County of Lackawanna:

I state that I am the ^{Vice}~~President~~ [Title] of Mar-Paul Co., Inc. [Name of Firm] and that I am authorized to make this affidavit on behalf of my firm, and its owners, directors, and officers. I am the person responsible in my firm for the price(s) and the amount of this bid.

I state that:

(1) I am fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid:

(2) Neither the said Bidder nor any of its officers, partners, owners, agents, Representatives, employees or parties in interest, including this affiant, has in any way disclosed, colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, or to Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Scranton (Local Public Agency) or any person interested in the proposed Contract; and;

(3) No attempt has been made or will be made to induce any firm or person to refrain from bidding on this contract, or to submit a bid higher than this bid, or to submit any intentionally high or noncompetitive bid or other form of complementary bid.

(4) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees or parties in interest, including this affiant.

(5) Mar-Paul Co., Inc. (Name of my firm) and its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract, except as follows:

I state that Mar-Paul Co., Inc. [Name of my firm] understands and acknowledges that the above representations are material and important, and will be relied on by City of Scranton in awarding the contract(s) for which this bid is submitted.

I understand and my firm understands that any misstatement in this affidavit is and shall be treated as fraudulent concealment from City of Scranton of the true facts relating to the submission of bids for this contract.

Wenzel Treehouse Repairs Nay Aug

Robert J. Bamford (Name)

Mar-Paul Co., Inc. (Company)

SWORN TO AND SUBSCRIBED

BEFORE ME THIS 24th DAY

OF September, 2018

Notary Public

Teresa M Stewart

My Commission Expires 03/05/22

COMMONWEALTH OF PENNSYLVANIA

NOTARIAL SEAL
TERESA M STEWART, NOTARY PUBLIC
CITY OF JESSUP, LACKAWANNA COUNTY
MY COMMISSION EXPIRES MARCH 5, 2022

SECTION 000410 - BID SECURITY FORM

KNOW ALL MEN BY THESE PRESENTS, that we,
Mar-Paul Company, Inc. (Here insert full name and address or legal
title of Contractor) as Principal, hereinafter called the
Principal, and Arch Insurance Company
(Here insert full name and address or legal title of Surety) a corporation duly organized
under the

laws of the State of Missouri as Surety, hereinafter called the Surety,
are held

and firmly bound unto City of Scranton
(Here insert full name and address or legal title of Owner) as Obligee, hereinafter called
the

Obligee, in the sum of Ten percent of amount bid Dollars (\$ 10%), for the
payment of which sum well and truly to be made, the said Principal and the said Surety,
bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and
severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for

Wenzel Treehouse repairs Nay Aug

(Here insert full name and

address or description of project)

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and shall enter
into a Contract with the Obligee in accord with the terms of such bid, and give such
bond or bonds as may be specified in the bidding of Contract Documents with good and
sufficient surety for the faithful performance of such Contract and for the prompt
payment of labor and material furnished in the prosecution thereof, or in the event of
failure of the Principal to enter such Contract and give such bond or bonds, if the
Principal shall pay to the Obligee the difference not to exceed the penalty hereof
between the amount specified in said bid and such larger amount of which the Obligee
may in good faith contract with another party to perform the Work covered by said bid,
then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 24th. day of Sept., 20 18

Mar-Paul Company, Inc. (Seal)

Robert J. Bamford
(Title) Vice President

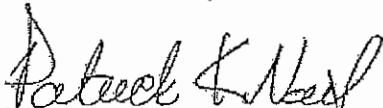
Arch Insurance Company (Seal)

Joan M. Evans
(Title) Joan M. Evans, Attorney-in-Fact

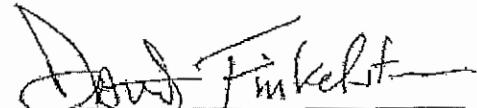
In Testimony Whereof, the Company has caused this instrument to be signed and its corporate seal to be affixed by their authorized officers, this 14th day of May, 2018.

Attested and Certified

Arch Insurance Company


Patrick K. Nails, Secretary

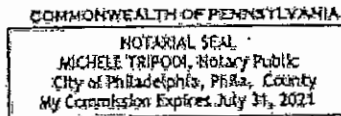


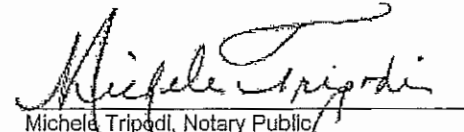

David M. Finkelstein, Executive Vice President

STATE OF PENNSYLVANIA SS.

COUNTY OF PHILADELPHIA SS

I, Michele Tripodi, a Notary Public, do hereby certify that Patrick K. Nails and David M. Finkelstein personally known to me to be the same persons whose names are respectively as Secretary and Executive Vice President of the Arch Insurance Company, a Corporation organized and existing under the laws of the State of Missouri, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they being thereunto duly authorized signed, sealed with the corporate seal and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary acts for the uses and purposes therein set forth.

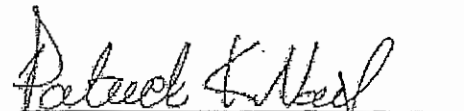



Michele Tripodi, Notary Public
My commission expires 07/31/2021

CERTIFICATION

I, Patrick K. Nails, Secretary of the Arch Insurance Company, do hereby certify that the attached Power of Attorney dated May 14, 2018 on behalf of the person(s) as listed above is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said David M. Finkelstein, who executed the Power of Attorney as Executive Vice President, was on the date of execution of the attached Power of Attorney the duly elected Executive Vice President of the Arch Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the Arch Insurance Company on this 24th day of Sept, 2018.


Patrick K. Nails, Secretary

This Power of Attorney limits the acts of those named therein to the bonds and undertakings specifically named therein and they have no authority to bind the Company except in the manner and to the extent herein stated.

PLEASE SEND ALL CLAIM INQUIRIES RELATING TO THIS BOND TO THE FOLLOWING ADDRESS:

Arch Insurance -- Surety Division
3 Parkway, Suite 1500
Philadelphia, PA 19102



THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON BLUE BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated. Not valid for Note, Loan, Letter of Credit, Currency Rate, Interest Rate or Residential Value Guarantees.

POWER OF ATTORNEY

Know All Persons By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal administrative office in Jersey City, New Jersey (hereinafter referred to as the "Company") does hereby appoint:

Joan M. Evans, Mary Jo Davis and Ronald M. Metcho, Sr. of Taylor, PA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds, undertakings, recognizances and other surety obligations, in the penal sum not exceeding Ninety Million Dollars (\$90,000,000.00).

This authority does not permit the ~~same~~ obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The execution of such bonds, undertakings, recognizances and other surety obligations in pursuance of these presents shall be as binding on the said Company as, fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal administrative office in Jersey City, New Jersey.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on September 15, 2011, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or the Executive Vice President, or any Senior Vice President, of the Surety Business Division or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them subject to the limitations set forth in their respective powers of attorney, to execute on behalf of the Company, and attach the seal of the Company thereto, bonds, undertakings, recognizances and other surety obligations obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on September 15, 2011:

VOTED, That the signature of the Chairman of the Board, the President, or the Executive Vice President, or any Senior Vice President, of the Surety Business Division, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on September 15, 2011, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

RECEIVED

NOV 16 2018


To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND
OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A
GRANT APPLICATION BY THE CITY OF SCRANTON TO THE LACKAWANNA
HERITAGE VALLEY NATIONAL AND STATE HERITAGE AREA PARTNERSHIP
GRANT APPLICATION FOR CONSTRUCTION ON THE WENZEL TREEHOUSE
REPAIRS IN THE AMOUNT OF \$1,000.00.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

APPROPRIATING FUNDS FOR THE EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING ON THE FIRST DAY OF JANUARY, 2019 TO AND INCLUDING DECEMBER 31, 2019 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR THE YEAR 2019.

WHEREAS, it is in the best interests of the City of Scranton, and required by the Home Rule Charter, that the City pass a General City Operating Budget for the year 2019.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that the 2019 General City Operating Budget is hereby approved and authorized in the form as attached hereto and made a part hereof.

SECTION 1. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Ordinance, so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

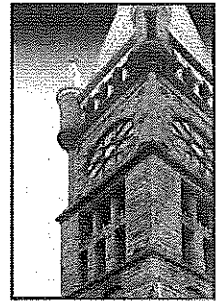
SECTION 3. This Ordinance shall take effect January 1, 2019.

SECTION 4. This Ordinance is enacted by the Council of the City of Scranton under the Authority of the Act of the Legislature, April 13, 1972, Act No. 62 known as the "Home Rule Charter and Optional Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

Department of Business Administration

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225

RECEIVED
NOV 14 2018
OFFICE OF CITY
COUNCIL/CITY CLERK



SCRANTON

October 28, 2018

Ms. Lori Reed
City Clerk
City of Scranton
340 North Washington Avenue
Scranton, Pa 18503

Re: 2019 Budget

Dear Ms. Reed:

According to Article IX, Section 902, of the Home Rule Charter, the Administration of the City of Scranton hereby submits the 2019 Operating Budget. The Budget document includes estimated income, including various taxes, fees, and other revenues for the fiscal year. Detailed proposed expenditures by department including employee-related expenses and capital expenditures are delineated. Proposed expenditures do not exceed budgeted revenues.

Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

David M. Bulzoni
Business Administrator
City of Scranton

2019 Budget Summary

Financial Overview

The City of Scranton 2019 budget continues a phased progression in recovery from a period of acute crisis. The City will continue to strive to achieve manageable annual adjustments in both revenues and expenditures to avoid the punitive nature of double digit real estate tax increases. The continued compression of real estate tax valuations will be an ongoing concern in budget creation and remains a focal point of the 2019 budget. The 2017 budget was transitory from revenue assignments concluding the parking monetization transactions and the sale of the sewer assets; the 2019 budget reflects the execution of those initiatives and the subsequent influence on the City's budget. Without those adjustments, the impact on the primary revenue drivers would be significant. Those revenue components are real estate and earned income taxes and both would have been strained without the completion of the monetization initiatives.

An integral component of the continued fiscal stability is the assignment of real estate taxes through a segmented calculation which originated in the 2015 budget. The City of Scranton created a dedicated millage to meet total annual debt service requirements and appointed a single point paying agent to manage those payments. This concept was well received by the financial markets and has been an integral part of the restoration of the City's credit worthiness. The reduction in budgeted debt service from \$14,713,139.50 in 2014 to \$12,322,886.84 in 2019 is representative of the City's efforts at greater budget stability. Of this total, \$11,113,634.62 will be funded through the debt service allocation; \$1,208,252.22 will be offset by invested funds resulting from the pension debt initiative, and \$1,000 is a placeholder for a prospective 2019 refunding and capital improvement debt initiative.

Real estate taxes will continue as a significant source of revenue in the 2019 budget. The intent of the 2019 budget is to maintain total millage at 2018 levels regardless of the compression in real estate valuations. The debt service allocation will be based on the City's annual debt service requirement and is adjusted accordingly. This process is based purely on an annual calculation and eliminates discretionary considerations from the evaluation process. Correspondingly, with a prospective \$2,221,507.00 reduction in the Minimum Municipal Obligation in 2019, the operating revenue percentage is adjusted accordingly.

The 2019 budget positions the City to further evaluate revenue maximization and expense containment. Analytic methodology is used for better identification of components of the City's taxes and fees. Those analytics should result in fee and tax clarification in future budget years. Planned initiatives include the migration from business privilege and mercantile taxes to a payroll based tax allowed under Act 47. The City continues to evaluate refuse payment and collection alternatives to achieve greater program efficiencies. Effective storm water management portends to be a principal initiative in 2019 regardless of the impact on the operating budget.

A realistic approach to expenditure budgeting will mirror the same approach to revenues. While several issues portend some significance for the City with the 2019 budget, the approach is to evaluate each budget category for savings realized through either achievable efficiencies or program alternatives to manage costs more effectively.

The budget also continues a measure of sensibility to nonunion salaries, which has been devoid of any real methodology in prior budgets. A planned compensation review should further assist the process. Once salaries have reached a level of equilibrium, raises may rotate every two years for the nonunion employee base.

In effect, the 2019 budget continues to pivot from crises to recovery. The ability to sustain positive momentum will be critical; broad economic development initiatives, such as LERTA expansion and Opportunity Zone funding initiatives could have a measured impact on the City's continued improvement.

The City of Scranton 25% Act 44 reduction provision, which artificially decreased the minimum municipal pension obligation for a six year period, concluded in 2016. The expiration of the provision increased the minimum obligation by \$4,411,510 in the 2017 budget. Revaluation of the Plan in 2018 resulted in a decrease of \$5,208,046, excluding the state aid contribution. The City also directed the reduction in the Plan discount rate to 7.50% from 8.00%; a further reduction to 7.25% is planned.

On July 2, 2014, the City of Scranton took the initial steps in restoring long term fiscal stability and the repair of the City's creditworthiness by the unveiling of the Amoroso Plan. With the continued implementation of the Plan components and the incorporation of those provisions in the Act 47 Exit Plan prepared by the Pennsylvania Economy League, the fiscal framework for the City of Scranton is now intact and will serve as a guide to follow through the conclusion of 2018 and the anticipated exit from Distressed Status no later 2021.

A sustainable City is achieved not only through the cost effective delivery of services, but through the value-added nature of the delivery of those services. Those services have many components, including ensuring safety at home, work, and leisure, protecting the vitality of our arts, cultural, and recreational amenities, preserving our parks, and caring for the health and well-being of our citizens. While there is a cost that we all must assume to achieve that sustainability, we expect to receive maximum value for those dollars expended. Managing those costs, achieving a measurable level of value for tax dollars, and using well founded budgetary principles will assure the future viability and vitality of the City of Scranton.

2019 General Fund Budget - Revenues

Real Estate Tax

Account Description

Real Estate Tax is a primary revenue driver in the City of Scranton annual operating budget and the most subject to adjustment. In the Commonwealth of Pennsylvania, real estate tax adjustments are affected to meet budgetary obligations by most municipalities, school districts and counties. Taxes are levied on the assessed value of all taxable real property. The values are compiled by Lackawanna County. The property tax rate is expressed either as a percentage or may also be indicated as a millage rate or mill levy.

The City of Scranton 2015 budget had initiated discussions about the segregated millage concept on land and improvements. Future discussions regarding the potential advantages of migrating to a single millage based on a total assessed valuation have also been considered. This concept was deferred for further evaluation and may resurrect when a Lackawanna County property reassessment is completed. The City's 2018 land rate is **232.521**. The 2018 land improvement rate is **50.564**. (A mill is also stated as one-thousandth of a dollar.) The City's total millage rate in 2018 is **283.085**.

As noted previously, in departing from the usual assignment of taxes to operations, including debt service, the City created a debt service millage component from both levies. This concept was continued in the 2017 budget with an alteration to the assignment of this dedicated revenue. The use of a dedicated percentage of real estate tax revenue was memorialized in the legislative document authorizing the levy. The assignment will continue with an allocation of thirty-seven percent (37%), which is an adjustment from the thirty-two percent (32%) of real estate tax revenue to meet debt service requirements in 2018. Again, the value of assessed City property decreased by \$2,588,924 in 2018; the value decreased by \$1,068,794 from 2016 to 2017. Overall, debt service has decreased from \$14,758,139.50, or greater than 30%, in the 2014 operating budget. Projected debt service for 2019 subject to the allocation increases to \$11,828,036.84. This figure is compared to the 2018 budget amount of \$10,315,179.53.

Total millage, therefore, remains constant at **283.085 mills**.

With the dedicated revenue component for debt service, the arbitrary use of this specific real estate levy component is eliminated. The process also adds greater transparency and effectiveness to the discussion of transacting future debt because of the specific revenue assignment. This revenue component would be adjusted annually only to meet those specific debt service requirements. The City will continue to work with the designated Single Point Paying Agent, Community Bank N.A., to efficiently pay debt service throughout the budget year. The respective millage rate for land and improvements applied to the City's operational needs is subject to adjustment annually.

Budget Highlights

- The real estate tax levy will remain level in 2019;
- The debt service revenue component increases to thirty-seven percent (37%).

Landfill/ Refuse Fees

Account Description

The City has established a residential fee to fund essential refuse and mandated recycling collection programs. The annual fee was increased from \$178 per unit per year in 2013 to \$300 in the 2014 budget. The billing period was modified in 2014 to allow for two payments annually and will be continued in 2019 barring any changes to the program. The fee will remain constant, again, barring any program changes.

Budget Highlights

- While the refuse fee will remain at \$300 per unit in 2019, the City continues to seek increased collections based on user identification. The rental registration identification program will be used comparatively for greater billing penetration;
- The City billing and collection methods were restructured to incorporate an electronic payment and collection methodology. Further restructuring is anticipated;
- The Department of Environmental Protection Refuse/Recycling evaluation was completed in 2018 and will provides a degree of optionality in considering the merits of a 'pay-as-you throw" or hybrid program concept. The City evaluated a millage-based concept which, based on initial results, was deemed impractical. Further program reviews are ongoing. The objective of the City evaluation is to identify a program method which favorably impacts program costs and increases recycling effectiveness.

Local Tax

Account Description

Local Taxes are a significant component of the City's revenue base. Included in the local tax levy is the City wage, mercantile and local services taxes. The City's wage tax is 2.4%; the total wage tax collected in the City of Scranton is 3.4%, as commonly stated, which includes the Scranton School District's 1% Wage Tax. The taxpayers submit payments to Berkheimer Associates, the designated collector of earned income taxes for Lackawanna County municipalities. With the exception of the current and delinquent wage taxes, the remaining Local Taxes are collected by the Single Tax Office. The Single Tax Office is the local tax collection agent for the City, School District and Lackawanna County and is singular to a Class 2-A city. Scranton is the only Class 2-A city in the Commonwealth. The City's Mercantile and Business Privilege Tax rate is a flat .1%. The Real Estate Transfer tax, which is collected by Lackawanna County, was reduced to 2.20% in 2018%.

Budget Highlights

- Real estate transfer tax collections have performed favorably since 2014. A constant collection level is projected in the 2019 budget following the .20% reduction in 2018. Wage Tax collections are projected to increase due to a favorable local economy;
- The improvement in Mercantile and Business Privilege Tax collection percentages are proceeding because of the use of analytics by the Single Tax Office. This cooperative effort between the City and Tax office is identifying nonpayment and resulting in improved collection percentages and a more complete data base. The City will seek to convert from the Business Privilege and Mercantile Tax levies to a broader based payroll tax for 2020, as recommended in the Recovery Coordinator's Exit Plan. Act 47 communities are eligible for the conversion. The tax is presently levied by the City of Pittsburgh.
- With the Governor's signature of House Bill 1773 in 2014, the City has continued the tripling of the local services tax in the 2017 budget. The full amount calculated is based on total payrolls identified through wage tax collections. The City is subject to court approval annually to levy the tax.

Penalties & Interest - Delinquent Tax

Account Description

Penalties and Interest revenue is the result an individual and/or business' taxes which became delinquent. The City assesses a penalty on the delinquent balance.

Budget Highlights

- The amounts remain consistent with prior year collections.

Licenses and Permits

Account Description

Revenue is derived from the sale and issuance of licenses and permits. The Office of Licenses and Permits issues and administers all permit activity for the City of Scranton. In addition to issuing licenses and permits, this office conducts annual inspections on personal care homes, rooming houses and rental units, child day care centers (excluding in-home day care centers), hotels and food / drinking establishments within the City. This office also administers and issues other licenses for amusements, dogs, dumpsters, eating and drinking establishments, peddlers, entertainment, gas pumps, hauling, parking facilities, scales, scrap yards, transient activity and tree trimming.

The City will continue to receive fees through the third-party planning review process in 2019. A departmental initiative for 2019 is a continuation of an evaluation to improve departmental efficiency.

Budget Highlights

- Revenue fluctuations in prior budgets may be attributed to various factors impacting the collection of permit fees and licenses, including activity influenced by the state of the local economy;
- The City is seeking to improve departmental efficiency through the use of technology, including improving payment methods;
- The City will also seek to undertake a review of enacting ordinances to better identify the effectiveness of permitting activity;
- the City budget reflects an optimism that contemplated tax abatement legislation will have a positive effect on development;

- Foreclosure registry fees fund the Scranton Home Assistance Program created by the partnership between the City and Neighborworks Northeastern Pennsylvania. The partnership was formalized by legislation adopted on June 23, 2016. A home improvement grant program with a maximum allocation of \$5,000 is managed by Neighborworks from the receipt foreclosure registry payments.

Fines, Forfeits, & Violations

Account Description

Fines, Forfeits, and Violations are collected from persons or businesses that violate state statutes or City ordinances. Historically, parking meter revenue was a budget component and was derived from a management agreement the City maintained for the operation of the on-street parking program. The program also included mobile parking services. Landmark concession lease legislation adopted by Council on June 30, 2016 consolidated parking operations with the non-profit Community Development Properties, thereby eliminating revenues associated with the on-street program. Civilian Parking Tickets, which resulted from the 2015 agreement between the City of Scranton and the Fraternal Order of Police, and Quality of Life Tickets, will remain an integral component of this revenue category.

Budget Highlights

- Police Fines and The Civilian Parking Tickets are the principal revenue sources;

Interest Earnings

Account Description

Interest Income is derived from investing available cash in interest bearing accounts and does not include fee offsets through earnings allowances.

Budget Highlights

- The City of Scranton has two primary cash accounts which are subject to some balance seasonality: The General Fund and the Debt Service Account component of the Fund. The debt service account is presently maintained with the Single Point Paying Agent to meet debt payment needs; the general fund is maintained for operations.

- The remaining proceeds associated with the sewer asset sale are invested subject to Act 10 of 2016 provisions.
- The City will seek to generate income from operating budget cash balances in 2019 in conjunction with improvements in earnings rates. To improve earnings, the City will seek proposals for the general fund banking relationship.

Intergovernmental Reimbursement

Account Description

Intergovernmental Reimbursement represents federal and state revenue received by City. Federal funds are typically derived from sources including the Community Development Block Grant which funds many City programs, including demolition of blighted structures and police enforcement. The State sourced funding contributes to the City's minimum municipal pension obligation. The amount of the state aid budget increases in 2019.

Budget Highlights

- The amount budgeted for the school resource officer line item was reinstated in 2017 for accounting purposes associated with the shared program with the school district.

Payment in Lieu of Taxes

Account Description

A payment in lieu of taxes ("PILOT") is made to compensate the City of Scranton for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property.

Budget Highlights

- The 2019 budget year will be a continuation of the targeted contribution approach of the University of Scranton. In addition to the Scranton Tomorrow allocation, a component is considered for the Block Grant Challenge Program contemplated for 2019 in partnership with Neighborworks Northeastern Pennsylvania. The program will be formally introduced in 2019.

Departmental Earnings

Account Description

These accounts represent various departmental revenues earned through program operations. Revenue is generated by utility companies through roadway impact repairs, public safety report fees and public safety false alarm charges. False alarm charges were modified in 2014. The City eliminated the budget for meter revenue in 2017. A resolution of the enacting ordinance issue for utility company interaction will eliminate the current escrow provision

Highlights

- Impact repairs will be redefined through proposed changes in the Street and Sidewalks ordinance.

User Fees

Overview

User Fees are collected by the Parks & Recreation Department for use of City property.

Budget Highlights

- The budget amount is consistent with current year projections.

Misc. Revenue/ Cable TV

Overview

This account represents funds received from various sources. The Cable TV franchise fee represents the primary portion of recurring revenue. The CATV budget reflects the execution of the revised contract.

Budget Highlights

- The City expects to receive an amount consistent with the 2018 budget resulting from the CATV agreement;

Inter-fund Transfers

Account Description

This account represents reimbursements from third parties or transfers between City funds. Transfers from other funds include reimbursement from insurance companies relating to worker's compensation claims, excess recovery payments, grant funding reimbursement and other single revenue sources. The transfer of the annual liquid fuels payment is also listed. Under provisions of the law, these funds may be deployed only for eligible expenditures. The liquid fuels funding is based on the total miles of locally owned roads and streets plus the most recent U.S. Federal census figures on record. Funds are used primarily for the construction, reconstruction, and maintenance of City roads and streets. The budget also includes a transfer of funds to meet the debt service requirements of the proposed Pension Obligation Note.

Budget Highlights

- The City's Office of Business Administration has opted to a return to liquid fuels funds transfers to the general fund. The City used the fund as a standalone account in 2015. This change was recommended by the City's auditors;
- The liquid fuels transfer represents approximately 100% of the anticipated state allocation in 2018. Approximately \$640,000 of liquid fuels funds will be deployed to repay the Pennsylvania Infrastructure Bank paving loan and the Street Lighting lease, \$785,000 for eligible general fund expenditures, and \$875,000 for a 2019 roadway resurfacing project.

Tax Anticipation Notes

Account Description

Tax Anticipation Notes are short term obligations issued by the City to sustain cash flow in anticipation of future tax revenues. The amount of issue has been consistent in recent years. The City issued a \$12.75 million Tax Anticipation Note in 2018

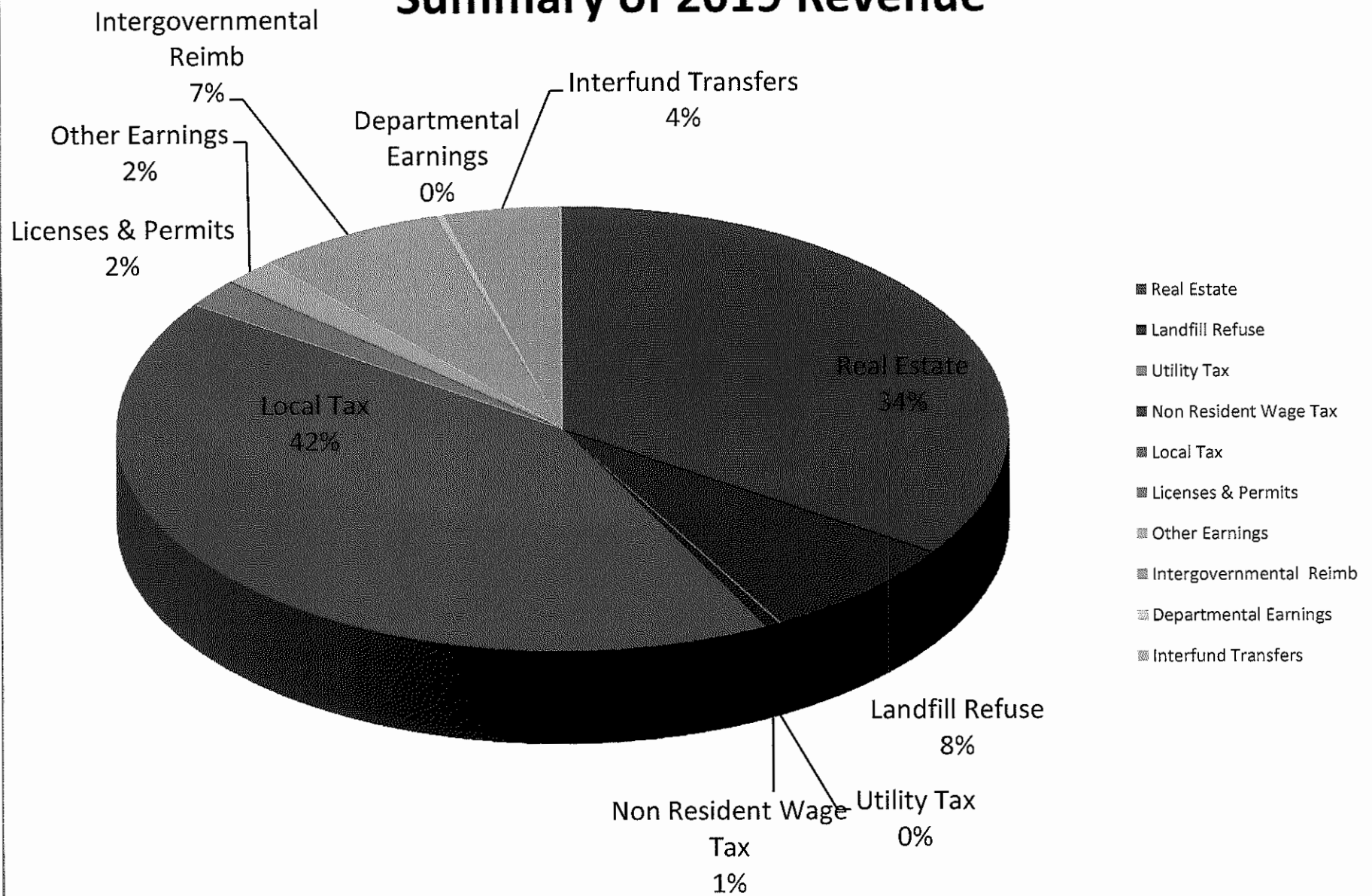
Budget Highlights

- The necessity of the Tax Anticipation Note is to fund operations until tax revenues are realized and to fund the Workers Compensation account by January 31. The City maintains a self funded Workers Compensation program. Improvements in the City's fund balance may lessen the amount of future annual borrowings, thereby reducing interest costs.

Revenue Category	2018 Budget	2018 Sept YTD	2019 Budget
Real Estate Taxes	\$33,827,806	\$31,498,758	\$33,520,051
Refuse Revenues	\$7,662,500	\$6,246,125	\$7,267,500
Real Estate Transfer Tax	\$3,376,000	\$2,224,686	\$3,376,000
Earned Income Tax	\$28,107,219	\$18,572,814	\$29,212,533
Mercantile/Business Privilege Tax	\$3,185,250	\$2,403,066	\$3,585,250
Parking Tax	\$0	\$0	\$0
Commuter Tax	\$0	\$0	\$0
LST	\$4,810,000	\$2,496,147	\$4,653,335
Amusement Tax	\$385,000	\$0	\$385,000
Utility Tax	\$75,000	\$75,073	\$75,000
Penalties & Interest	\$168,092	\$218,852	\$249,600
Licenses & Permits	\$1,906,004	\$2,003,034	\$1,992,004
Fines, Forfeits & Violations	\$360,850	\$308,547	\$347,850
Interest Earnings	\$30,000	\$235,000	\$150,000
Rents & Concessions	\$5,000	\$4,500	\$5,000
Intergovernmental Reimbursements	\$3,957,646	\$4,493,753	\$6,659,966
In Lieu of Taxes	\$250,000	\$63,956	\$250,000
Departmental Earnings	\$469,625	\$102,262	\$267,125
User Fees	\$49,500	\$31,779	\$45,500
MBROs	\$50,000	\$0	\$1,000
Miscellaneous Revenues	\$1,064,800	\$814,273	\$1,117,200
Bond Proceeds Other	\$0	\$0	\$0
Interfund Transfers	\$5,183,505	\$0	\$4,147,793
Total Revenues	\$94,923,798	\$71,792,627	\$97,307,707
Tax Anticipation Notes	\$12,750,000	\$12,750,000	\$12,750,000
State Loan Receipts	\$0	\$0	\$0
State Grant Receipts	\$0	\$0	\$0
Bond Issue Proceeds	\$1,000	\$0	\$1,000
Total Revenues	\$107,674,798	\$84,542,627	\$110,058,707

CITY OF SCRANTON			
2019 OPERATING BUDGET			
REVENUE SUMMARY			
	2018	2018 Actual	2019
	Operating Budget	Through (9.30.2018)	Operating Budget
CURRENT REAL ESTATE TAX	\$ 32,252,806.10	\$ 30,136,364.40	\$ 32,045,050.63
DELINQUENT REAL ESTATE TAX	1,575,000.00	1,362,393.81	1,475,000.00
LANDFILL/REFUSE FEES	7,662,500.00	6,246,125.36	7,267,500.00
UTILITY TAX	75,000.00	75,073.05	75,000.00
NON RESIDENT WAGE TAX	520,000.00	-	520,000.00
LOCAL TAXES (ACT 511)	39,343,469.39	25,696,714.00	40,692,118.03
PENALTIES & INT/DEL. TAX	168,092.00	218,851.53	249,600.00
LICENSES & PERMITS	1,906,004.00	2,003,034.22	1,992,004.00
FINES, FORFEITS & VIOLATIONS	360,850.00	308,546.94	347,850.00
INTEREST EARNINGS	30,000.00	235,000.00	150,000.00
RENTS AND CONCESSIONS	5,000.00	4,500.00	5,000.00
INTERGOVERNMENTAL REIMBURSEMENTS	3,957,646.00	4,493,752.53	6,659,966.00
IN LIEU OF TAXES	250,000.00	63,956.36	250,000.00
DEPARTMENTAL EARNINGS	469,625.00	102,262.00	267,125.00
RECREATIONAL DEPARTMENTS	49,500.00	31,779.25	45,500.00
MISC REVENUES/CABLE TV	1,115,800.00	814,273.47	1,119,200.00
INTERFUND TRANSFERS	5,183,505.30	-	4,147,793.00
TAX ANTICIPATION NOTES	12,750,000.00	-	12,750,000.00
TOTAL REVENUE	\$ 107,674,797.79	\$ 71,792,626.92	\$ 110,058,706.66

Summary of 2019 Revenue



CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED REVENUES					
GENERAL FUND					
Account Number	Account Description	2018 Operating Budget	2018 Actual (Through 10.01.2018)	2019 Operating Budget	
	REAL ESTATE TAXES (calculated at 89%)				
01.301.30100	Real Estate Taxes	13,501,829.37		13,410,679.84	
01.301.30105	Real Estate Taxes		\$30,136,364		
01.301.30110	Real Estate Taxes				
01.301.30706	Real Estate Taxes	18,750,976.73		18,634,370.79	
01.301.30120	Real Estate Taxes	1,575,000.00	\$ 1,362,393.81	1,475,000.00	
	TOTAL REAL ESTATE TAXES	\$ 33,827,806.10	\$ 31,498,758.21	\$ 33,520,050.63	
	LANDFILL / REFUSE FEES				
01.302.30200	Refuse Revenues	5,912,500.00	4,952,193.00	5,612,500.00	
01.302.30210	Refuse Revenues	1,750,000.00	1,293,932.36	1,655,000.00	
	TOTAL LANDFILL/REFUSE FEES	\$ 7,662,500.00	\$ 6,246,125.36	\$ 7,267,500.00	
01.304.30400	Utility Tax	75,000.00	75,073.05	75,000.00	
01.305.30500	Earned Income Tax	520,000.00		520,000.00	
	LOCAL TAXES				
01.310.31110	Real Estate Transfer Tax	3,375,000.00	2,224,686.42	3,375,000.00	
01.310.31115	Real Estate Transfer Tax	1,000.00		1,000.00	
01.310.31120	Earned Income Tax	27,387,219.39	18,489,052.59	28,587,533.03	
01.310.31125	Earned Income Tax	200,000.00	83,761.55	105,000.00	
01.310.31160	Mercantile/Business Privilege Tax	1,605,000.00	1,162,225.52	1,605,000.00	
01.310.31190	Mercantile/Business Privilege Tax	100,000.00	35,682.22	100,000.00	
01.310.31205	LST	4,810,000.00	2,496,147.19	4,653,335.00	
01.310.31260	Mercantile/Business Privilege Tax	200,000.00	193,706.53	400,000.00	
01.310.31290	Mercantile/Business Privilege Tax	1,280,250.00	1,021,451.98	1,480,250.00	
01.310.31291	Parking Tax	-			
01.310.31292	Commuter Tax	-			
01.310.31295	Amusement Tax	385,000.00	-	385,000.00	
	TOTAL LOCAL TAXES (ACT 511)	\$ 39,343,469.39	\$ 25,696,714.00	\$ 40,692,118.03	
	PENALTIES & INT / DELINQUENT TAXES				
01.319.31900	Penalties & Interest	43,492.00	127,922.63	125,000.00	
01.319.31910	Penalties & Interest	75,000.00	49,258.90	75,000.00	
01.319.31930	Penalties & Interest	100.00		100.00	
01.319.31940	Penalties & Interest	49,500.00	41,670.00	49,500.00	
01.319.31950	Penalties & Interest	-	-	-	
	TOTAL PENALTIES & INT/DEL. TAXES	\$ 168,092.00	\$ 218,851.53	\$ 249,600.00	

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED REVENUES					
GENERAL FUND					
Account Number		Account Description	2018 Operating Budget	2018 Actual (Through 10.01.2018)	2019 Operating Budget
		LICENSES AND PERMITS			
01.320.32010	Licenses & Permits	ELECTRICAL PERMITS	116,470.00	107,518.00	116,470.00
01.320.32030	Licenses & Permits	PLUMBER LICENSES	20,610.00	22,270.00	20,610.00
01.320.32040	Licenses & Permits	ELECTRICIAN LICENSES	34,400.00	36,825.00	34,400.00
01.320.32050	Licenses & Permits	MECHANICAL PERMITS	112,150.00	171,715.00	162,150.00
01.320.32060	Licenses & Permits	MECHANICAL LICENSES	32,500.00	31,125.00	32,500.00
01.320.32070	Licenses & Permits	CONTRACTOR LICENSES	85,000.00	109,775.00	85,000.00
01.320.32080	Licenses & Permits	SCALE LICENSES	3,500.00	4,230.00	3,500.00
01.320.32110	Licenses & Permits	BEVERAGE LICENSES	-	-	-
01.320.32120	Licenses & Permits	BUILDING PERMITS	586,324.00	557,423.13	636,324.00
01.320.32130	Licenses & Permits	JUNKYARD LICENSES	8,000.00	8,500.00	8,000.00
01.320.32140	Licenses & Permits	PARKING FACILITIES	1,250.00	1,300.00	1,250.00
01.320.32150	Licenses & Permits	SIGN HANGERS LICENSES	6,500.00	6,175.00	6,500.00
01.320.32160	Licenses & Permits	DOG & KENNEL LICENSES	13,000.00	32,343.10	13,000.00
01.320.32170	Licenses & Permits	LODGING LICENSES	25,000.00	22,915.00	25,000.00
01.320.32180	Licenses & Permits	EATING & DRINKING LICENSES	92,500.00	80,955.00	92,500.00
01.320.32190	Licenses & Permits	GASOLINE PUMP LICENSES	5,000.00	4,450.00	5,000.00
01.320.32200	Licenses & Permits	MUSIC MACHINE PERMITS	100.00	-	100.00
01.320.32210	Licenses & Permits	PINBALL MACHINE PERMITS	-	-	-
01.320.32240	Licenses & Permits	PLUMBER PERMITS	35,000.00	45,975.00	35,000.00
01.320.32250	Licenses & Permits	SIGN PERMITS	40,000.00	42,350.00	40,000.00
01.320.32290	Licenses & Permits	TEMP. PEDDLER PERMIT	12,500.00	14,000.00	12,500.00
01.320.32295	Licenses & Permits	TRANSIENT MERCHANT LICENSES	-	-	-
01.320.32300	Licenses & Permits	POOLS & BILLIARDS LICENSES	500.00	-	500.00
01.320.32320	Licenses & Permits	DAILY ENTERTAINMENT LICENSE	21,000.00	20,720.00	21,000.00
01.320.32330	Licenses & Permits	ELECTRONIC MACHINE PERMIT	-	-	-
01.320.32332	Licenses & Permits	VIDEO AMUSEMENTS	100.00	-	100.00
01.320.32335	Licenses & Permits	AMUSEMENT RIDES	4,500.00	19,000.00	4,500.00
01.320.32336	Licenses & Permits	DUMPSTER PERMITS	4,500.00	7,120.00	4,500.00
01.320.32337	Licenses & Permits	ARCADE LICENSES	3,500.00	-	2,500.00
01.320.32340	Licenses & Permits	NON-CLASS LIC. & PERMITS	-	-	-
01.320.32345	Licenses & Permits	SECOND-HAND DEALER REVENUE	5,000.00	4,500.00	4,500.00
01.320.32360	Licenses & Permits	SIGN PERMITS/CONSTRUCTION	5,000.00	2,769.50	2,500.00
01.320.32380	Licenses & Permits	RENTAL INSPECTIONS	100.00	200.00	100.00
01.320.32390	Licenses & Permits	CHILD DAY CARE	5,000.00	11,200.00	5,000.00
01.320.32400	Licenses & Permits	PERSONAL BOARDING CARE	3,500.00	11,310.00	3,500.00
01.320.32420	Licenses & Permits	SANITATION HAULER FEE	-	-	-
01.320.32430	Licenses & Permits	HOUSING RENTAL LICENSES	310,000.00	220,370.00	250,000.00
01.320.32450	Licenses & Permits	BUILDING CODE STATE FEE	1,000.00	10,134.00	1,000.00
01.320.32460	Licenses & Permits	THIRD PARTY PLAN REVIEWS	275,000.00	363,266.49	325,000.00
01.320.32460	Licenses & Permits	FORECLOSURE REGISTRY	37,500.00	32,600.00	37,500.00
		TOTAL LICENSES & PERMITS	\$ 1,906,004.00	\$ 2,003,034.22	\$ 1,992,004.00

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED REVENUES					
GENERAL FUND					
Account Number	Account Description		2018 Operating Budget	2018 Actual (Through 10.01.2018)	2019 Operating Budget
		FINES, FOREFITS & VIOLATIONS			
01.330.33000	Fines, Forfeits & Violations	FINES & FORFEITS/MISCELLANEOUS	100.00	-	100.00
01.331.33100	Fines, Forfeits & Violations	POLICE FINES	185,000.00	141,674.65	185,000.00
01.331.33119	Fines, Forfeits & Violations	PARKING TICKETS-POLICE ISSUED	15,000.00	10,410.00	12,000.00
01.331.33120	Fines, Forfeits & Violations	CIVILIAN PARKING TICKETS	100,000.00	75,077.00	100,000.00
01.331.33121	Fines, Forfeits & Violations	QUALITY OF LIFE TICKETS-	35,000.00	59,870.00	35,000.00
01.331.33130	Fines, Forfeits & Violations	FINES & PENALTIES - STATE	25,000.00	21,515.29	35,000.00
01.331.33145	Fines, Forfeits & Violations	PARKING METER PERMITS	-	-	-
01.331.33155	Fines, Forfeits & Violations	TAXI DRIVER PERMITS	750.00	-	750.00
01.331.33165	Fines, Forfeits & Violations	POLICE TOWING/STORAGE FEES	-	-	-
		TOTAL FINES, FORFEITS & VIOLATIONS	\$ 360,850.00	\$ 308,546.94	\$ 347,850.00
		INTEREST EARNINGS			
01.341.38525	Interest Earnings	INTEREST-CASH-CHECKING	30,000.00	235,000.00	150,000.00
		TOTAL INTEREST EARNINGS	\$ 30,000.00	\$ 235,000.00	\$ 150,000.00
01.342.34200	Rents & Concessions	RENTS AND CONCESSIONS	\$ 5,000.00	\$ 4,500.00	\$ 5,000.00
		INTERGOVERNMENTAL REIMBURSEMENT			
01.350.35002	Intergovernmental Reimbursements	OECD REIMB - DEMOLITION PROGRAM	-	-	-
01.350.35020	Intergovernmental Reimbursements	SUPL STATE AID PENSION	3,450,000.00	3,677,244.99	3,600,000.00
01.350.35060	Intergovernmental Reimbursements	DCA ACT 47 LOAN	21,780.00		100.00
01.350.35100	Intergovernmental Reimbursements	FEMA EMERG PMTS	-		2,773,900.00
01.350.35115	Intergovernmental Reimbursements	ACT 13 UNCONVENTIONAL GAS WELL FUND USAGE	-		
01.350.35130	Intergovernmental Reimbursements	FEMA PAYMENTS- FIRE SAFER GRANT	200,000.00	672,626.63	-
01.350.35140	Intergovernmental Reimbursements	REIMBURSEMENT SCHOOL RESOURCE OFFICERS	285,866.00	143,880.91	285,866.00
	Intergovernmental Reimbursements	PRIOR YEAR REIMBURSEMENT SCHOOL RESOURCE OFFICERS			100.00
		TOTAL INTERGOVERNMENTAL REIMBURSEMENTS	\$ 3,957,646.00	\$ 4,493,752.53	\$ 6,659,966.00
01.359.35900-35940	In Lieu of Taxes	IN LIEU OF TAXES	\$ 250,000.00	\$ 63,956.36	\$ 250,000.00

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED REVENUES					
GENERAL FUND					
Account Number		Account Description	2018 Operating Budget	2018 Actual (Through 10.01.2018)	2019 Operating Budget
		DEPARTMENTAL EARNINGS			
01.360.36010	Departmental Earnings	PARKING METERS	-		-
01.360.36020	Departmental Earnings	BOARD OF ZONING/PLANNING COMMISSION	27,125.00	19,325.00	27,125.00
01.360.36030	Departmental Earnings	PAVE CUTS - PAWC	175,000.00	55,226.00	110,000.00
01.360.36035	Departmental Earnings	PAVE CUTS - UGI ENERGY	195,000.00		90,000.00
01.360.36040	Departmental Earnings	PAVE CUTS - OTHER	22,500.00	4,611.00	15,000.00
01.360.36050	Departmental Earnings	REPORT COPIES-FIRE/POL	-		
01.360.36060	Departmental Earnings	FIRE/POL BURGLAR ALARMS	50,000.00	23,100.00	25,000.00
		TOTAL DEPARTMENTAL EARNINGS	\$ 469,625.00	\$ 102,262.00	\$ 267,125.00
01.367.36740	User Fees	USER FEES	49,500.00	31,779.25	45,500.00
		MISC REVENUES/CABLE TV			
01.380.38000	Miscellaneous Revenues	OTHER-NOT CLASSIFIED	175,000.00	231,321.58	200,000.00
01.380.38004	Miscellaneous Revenues	PA LCB LICENSE FEES	37,600.00	70,650.00	65,000.00
01.380.38010	Miscellaneous Revenues	CATV REVENUE	850,000.00	512,401.89	850,000.00
01.380.38020	Miscellaneous Revenues	DONATED REVENUE	100.00		100.00
01.380.38030	Miscellaneous Revenues	OTHER FINANCING SOURCE	100.00		100.00
01.380.38060	MBROS	MARKET-BASED REVENUE OPPORTUNITIES	50,000.00		1,000.00
01.380.38070	Miscellaneous Revenues	REPAYMENT FROM ICE BOX DEVELOPMENT	1,000.00		1,000.00
01.380.38860	Bond Issue Proceeds	PROCEEDS 2019 BOND ISSUANCE	-		1,000.00
01.380.38865	Bond Issue Proceeds	PROCEEDS 2015 BOND ISSUANCE	-	-	-
01.380.38870	Miscellaneous Revenues	SALE OF ASSETS	1,000.00	-	1,000.00
01.380.38875	Bond Issue Proceeds	PROCEEDS 2017 BOND ISSUANCE	-		-
01.380.38880	Bond Issue Proceeds	PROCEEDS OF 2018 BOND ISSUANCE	1,000.00		-
		TOTAL MISC REVENUES/CABLE TV	\$ 1,115,800.00	\$ 814,273.47	\$ 1,119,200.00
		INTERFUND TRANSFERS			
01.392.39331	Interfund Transfers	TRANSFERS IN FROM OTHER FUNDS	2,880,000.00	-	1,808,252.00
01.392.39332	Interfund Transfers	TRANSFERS IN FROM LIQUID FUELS	2,303,605.30	-	2,339,541.00
		TOTAL INTERFUND TRANSFERS	\$ 5,183,605.30	\$ -	\$ 4,147,793.00
		TAX ANTICIPATION NOTES			
01.394.39320	Tax Anticipation Notes	TAN SERIES A	12,750,000.00		12,750,000.00
01.394.39330	Tax Anticipation Notes	TAN SERIES B	-	-	-
		TOTAL TAX ANTICIPATION NOTES	\$ 12,750,000.00	\$ -	\$ 12,750,000.00
		TOTAL REVENUE	\$ 107,674,797.79	\$ 71,792,626.92	\$ 110,058,706.66

2019 General Fund Budget - Expenditures

Summary Highlights

The 2019 budget continues the process of fiscal restoration in conjunction with the Revised Recovery Plan and Exit Strategy. The value-added component is apparent through continued capital allocations. In addition to fulfilling the contractual responsibilities the City maintains with the respective unions, through salary, staffing, and manning requirements, the City is seeking to effectively deliver all services, and not just those assumed by our union employees, in an effective manner whereby residents and businesses will receive value for their tax dollars.

The City of Scranton employee base must be viewed as an asset when evaluating the delivery of services. Limited and targeted additions to staff are included in the budget only when a determination is made that those positions either add measurable value and efficiency to the departmental operation, or are offset by either program savings or revenue production.

To more effectively maintain and deliver services, limited additions to staff will occur in the Solicitor's Office and the Department of Parks and Recreation. The Solicitor's Office will seek to employ a full-time project coordinator. The Parks Department will employ a director's assistant. Both will be non-union positions. Casual employees will also be designated for additional parks and recreation responsibilities. The traffic/sign maintenance position in the Department of Public Works will transition from part time to full time and will be a union position.

The City continues to improve the delivery of services through an aggressive capital improvement and acquisition program. Major parks initiatives are either planned or underway. Measurable roadway improvements will continue in the 2019 budget. Capital acquisitions will continue but will be limited and will affect service-oriented departments.

Technological improvements will influence the City's future success by assuring a more effective delivery of services, with limited staffing availability, at reasonable costs. The redefinition of the delivery of City services will continue through the use of technological innovations.

That the City has benefited immensely from the execution of the sewer and parking transactions has been the subject of much discussion. The 2019 operating budget solidifies the foundation of the ongoing and endless effort to achieve an optimal level of service delivery at a consistent cost.

Mayor's Office

Department Description

The Mayor might be considered the Board Chairman and Chief Executive Officer of the City. The Mayor's Office is administered by an Executive Secretary and an Administrative Secretary, which was a full-time addition to the budget in 2018.

The Mayor's Office coordinates the activities and initiatives of City government to ensure that services are provided in an efficient and effective manner and citizens have a voice in the responsible delivery of those services.

2019 Budget Highlights

- The dues to the membership subscription in the Pennsylvania League of Cities will continue in 2019.

City Clerk/ City Council

Department Description

The Scranton City Council constitutes the legislative branch of the City government. As such, it enacts all ordinances, resolutions, levies taxes, appropriates monies for government operations, and holds weekly public meetings.

The City Council is comprised of five elected members. Activities include attendance at committee meetings and individual involvement with City Departments, the Mayor, City residents, and civic organizations.

2019 Budget Highlights

- Funding is continued under Services and Maintenance budget for the Granicus system, which has proven very advantageous to disseminate information.
- Professional services include costs associated with audit completion, stenographic services, and legislative document storage costs.

City Controller

Department Description

The City Controller maintains an encumbrance system of budget operations. The Controller's Office works closely with the Office of Business Administration and department heads to compile such information regarding city properties and obligations, and monitors and reviews city income and expenditures as are deemed necessary to carry out these duties. The Controller furnishes the Mayor and Council with monthly reporting on these matters. The reports are typically submitted within two (2) weeks after the close of the month. The Controller also submits such other reports as necessary and proactively assists all City departments with information to fulfill bidding and purchase requirements properly.

The City Controller reviews all vouchers for the expenditure of city monies for verification that such expenditures are within the respective budget allotment. The City Controller authorizes and signs vouchers before presentation to the City Treasurer for payment. In so doing, all pre-audit claims and demands against the city prior to the payment function are supported. Approval for payment vouchers are made only if the Office is satisfied that payments are processed in accordance with law.

2019 Budget Highlights

- An outlay of \$40,000 was budgeted in the Professional Services category to completed audits for the Single Tax Office.

Business Administration

Department Description

The Department of Business Administration is directly responsible for planning, direction and monitoring of departmental activities, both within the Department of Business Administration and throughout the City. The operating divisions of the Department delivering general governmental services include: Administration, Human Resources, Information Technology, and Treasury. The overall function of the Office of Business Administration supports initiatives involving policy formulation, human resource management, accounting support, purchasing, technology support, and fiscal management and major City initiatives. The Department evaluates administrative and

operational functions and reviews business processes, thereby ensuring optimal use of available resources.

The **Bureau of Administration** develops the City's annual budget; implements the Mayor's financial and management policy agenda for departments; and monitors budget performance throughout the year. It also assesses the City's economic environment, forecasts revenues, monitors revenue collections, and evaluates new revenue and expenditure proposals, providing the basis for operational and strategic planning. This bureau is also responsible for the procurement of goods and services for the various City Departments and has proactively initiated major projects within the City.

The **Bureau of Human Resources** provides personnel, payroll, and support functions including benefit administration, recruiting, and hiring services. This office provides support and resolution pertaining to employee issues, staff development, safety initiatives, contract negotiations, and disciplinary matters to ensure compliance with City rules, policies, and procedures. The Department has direct responsibilities with oversight of the City's insurances and workers compensation programs.

The **Bureau of Information Technology** is the central information technology and telecommunications source for all departments within the City of Scranton. With the many technological changes impacting the City operation, the Information Technology department has become the central hub controlling all City operations. The department's value is immeasurable. This department provides project management, business analysis, data network, telephone, application development, software and hardware support and electronically delivered communication services for internal users, as well as the evaluation of new initiatives in this rapidly changing technological environment.

The **Bureau of Treasury** collects, reconciles, records, and deposits City revenues; disburses money as required by City rules; manages the City's cash and investments; and acts as the fiscal custodian of all funds received by the City of Scranton. The Department also has direct oversight responsibilities for the billing and collection of refuse payments.

2019 Budget Highlights

Bureau of Administration

- The **Bureau of Administration** budget will continue with the current staffing complement.
- The Professional Services budget will increase because of its collective nature for many related costs associated both current and proposed capital projects. Generally, these costs support

related engineering and design services or professional contracts not specifically embedded into the various departmental budgets.

- Increases in health insurance for clerical and nonunion employees are forecast at manageable levels. While the City is self-insured, individual claims may impact the annual costs associated with program delivery. The City continues to implement wellness programs in conjunction with the creation of the Workers Compensation Safety Committee.
- The non-uniform pension contribution will decrease by 36% due to adjustments in the City's actuarial requirements from the acceleration of the Minimum Municipal Obligation. The next plan valuation will be dated January 1, 2019.
- Operating transfers to the Workers Compensation Trust Fund will decrease by 11.8%. This funding requirement occurs annually and is actuarially determined. The City maintains a self funded Workers Compensation program. Favorable recent activity impacted by more effective program management is expected to continue to reduce this cost in coming years.
- Bank fees and charges are more reflective of actual bank account activity and do not incorporate transaction related fees. The City will seek Requests for Proposals for banking services in 2019 to further reduce these costs.

Bureau of Human Resources

The **Bureau of Human Resources** salary budget was increased in 2016 to include an addition to staff to manage the City's Workers Compensation program. While the City's historic program management had not been viewed favorably by the Commonwealth of Pennsylvania, great strides have been made in cost savings through case settlements undertaken by this position. The Workers Compensation program is self-funded and the prior three-year certification filings have occurred on a timely basis following tardy prior submissions. This addition to staff has had a critical role in addressing those concerns expressed by the Department of Labor and Industry regarding the effectiveness of the management of the City program. Improvements will continue with safety management and claims administration. The City will engage the Department of Labor and Industry in 2019 to review the criteria associated with the reserve funding requirements for the program.

- The Professional Services budget includes costs associated with the random drug testing program, safety and wellness programs, legal and arbitration fees associated with Compensation and Heart and Lung cases;
- The stationary/office supplies budget includes costs of equipment acquisitions associated with the departmental safety and environment review as authorized by the City of Scranton Safety Committee;
- Insurance costs are forecast to remain stable due to favorable claims data.

Bureau of Information Technology

The **Bureau of Information Technology** continues to drive the progression of the City through the upgrade of hardware and software in each department. The Department also coordinates efforts to evaluate the delivery of services to the City, such as telephone services. The City completed the upgrade of the financial accounting system software in the second quarter of 2015. The system was last upgraded in 2004. The City of Scranton now has a much greater reliance on technology for the operation of all departments, especially the police department. Technological initiatives are planned in 2019 in the Department of Licenses and Permits and Department of Public Works. Technological support has been greatly enhanced through the 2015 addition of the Information Technology Manager.

- The Department continues to dedicate efforts to the implementation of the Police Records Management System. The Department is actively supporting this installation of the wireless Law Enforcement Records Management System in conjunction with the upgrade of the County of Lackawanna 911 system. The City was the first municipality in Lackawanna County to install the system;
- The Professional Services and Services and Maintenance fee budgets include costs associated with annual maintenance contracts, CCTV system, and video wall support. The budget increase will support the use of contractors for infrastructure upgrades and costs associated with process systems evaluation in the Licenses and Permits Department;
- Increased costs in dues and subscriptions are reflective of an expansion to the full Office 365 suite;
- The Materials and Supplies and Capital Expenditures budgets incorporate the continued need for computer replacement to replace outdated units. The budget also includes funds required to replace servers in City facilities and for the purchase of the latest version of Microsoft Office for desktop computers. The City continues to replace outdated servers and network switches;
- The telephone system budget is increased to support costs associated with police department body camera usage and improvements in bandwidth in city facilities;
- The training budget will be increased to provide additional staff training to bypass the need to add a network administrator to the budget;
- The capital budget includes costs associated with the replacement of twenty MTD's in police vehicles, new computers in City Hall, additional servers, including those situated in the new Public Safety Building, and a dedicated vehicle for the Department.

Bureau of Treasury

The **Bureau of Treasury** budget remains consistent with 2018. The Professional Services budget incorporates funding for the refuse billing contract.

- The Office of Business Administration has assisted with the review of refuse billing and collection options. The City received a Commonwealth supported initiative evaluating the structure of the refuse collection program to determine alternate methods of service delivery, specifically a pay-as-you throw concept. Additional reviews are ongoing in an effort to impact costs and efficiencies related to the delivery of the service;
- The cost associated with the Tax Collection Committee expense is a pro-rated assignment based on an allocation of costs to the other participating Lackawanna County municipalities.

Office of Economic and Community Development

Department Description

The Office of Economic and Community Development ("OECD") manages the U.S. Department of Housing and Urban Development ("HUD") entitlement grants for the City of Scranton, as well as other funding for housing and neighborhood development initiatives. The Department leverages public and private funds to provide affordable housing, promote safe and livable neighborhoods, and stimulate economic development in Scranton.

2019 Budget Highlights

The Department initiatives support many economic development programs and capital improvements undertaken by the City. Departmental salaries are considered non-additions to the General Fund budget and receive federal funding support. Salary increases were included in the budget for Departmental employees.

Department of Licenses, Inspections & Permits

Department Description

The Department of Licenses, Inspections & Permits (“LIPS”) has multiple responsibilities in support of varied City functions. The primary responsibility of the Department is the planning and regulation of land use and development in Scranton. The Department reviews building plans and site plans, processes zoning applications, and conducts inspections. This Department is also responsible for the administration and enforcement of the City’s Construction Code and Zoning and Subdivision ordinances. The purpose of the Construction Code is to provide standards to safeguard life, health, property, and public welfare by regulating and controlling the design, construction, quality of materials, use, occupancy, location and maintenance of all buildings and structures within the City of Scranton. The Department oversees the maintenance and improvements of all City buildings.

2019 Budget Highlights

- The continued departmental initiative for 2019 and subsequent years will be the incorporation of automation through the expanded use of options in the City’s financial accounting system software. Providing a more user-friendly method of permit issuance and payment will be a critical evaluation component. The Information Technology Department will assist with system wide improvements including the acceptance of credit cards and electronic payments;
- The Department will continue to review and reconstruct Rental Registration activities with the revised program legislation. The Department has made strides through both internal and third-party support to identify rental units;
- The City Planner was assigned to the Department in 2018;
- The Building Demolition line item has been expanded for greater activity in 2019.

Department of Licenses, Inspections & Permits - Buildings

Department Description

The Department of Licenses, Inspections & Permits - Buildings ("Buildings") provides comprehensive facility management and planning for all City Departments. This department is responsible for the operation and maintenance of City buildings, including City Hall, Police and Fire facilities, including the Public Safety Building, and the Department of Public Works.

2019 Budget Highlights

- The overall budget remains consistent with 2018. Electrical costs are expected to decrease from energy improvements to City buildings.

Department of Law

Department Description

The Law Department serves as legal advisor to the Mayor and department heads of the City; represents the City in negligence actions; prosecutes all suits initiated on the behalf of the City; defends all cases brought against the City; and provides legal services to all City departments as well as the Single Tax Office, including preparing contracts and drafting ordinances.

2019 Budget Highlights

- Due to the volume of activity in the Office of the Solicitor, including the volume of varied legal issues confronted by the City annually, the department will remove the full-time assistant City solicitor to be replaced with two part time solicitors. The salary budget in 2018 for a full-time solicitor did not attract candidates. A Project manager will be added to staff to assist in drafting Requests for Proposals and to assist with project monitoring and development. The Professional Services budget will be increased by 24% to assist in case management.

Public Safety – Scranton Police Department

Department Description

The Scranton Police Department is responsible for the overall management, resource allocation and strategic direction of this component of public safety. This service delivery includes the development, evaluation and implementation of policies, procedures, programs, community initiatives, employee training and recruitment. The Department implements and manages police services for the City. The Department also establishes staffing levels necessary to provide adequate levels of policing. The Department plans, staffs, and implements police responses to major planned and unplanned events, natural disasters, major emergencies, and coordinates with other City departments and law enforcement agencies for such events. The Department is increasingly more technologically oriented which reflects the trend in effective public safety management. Costs associated with the many technological initiatives involving each department are reflected throughout the City budget and are specifically coordinated through the Department of Information Technology.

2019 Budget Highlights

- The Departmental budget is expected to remain consistent with the 2018 budget;
- Health care costs are expected to remain within an acceptable cost range;
- The Professional Services and Services and Maintenance budgets are consistent with the increase in the use of designated software and associated maintenance fees;
- Net overtime salary levels are expected to remain consistent with the 2018 budget although the budget does not reflect reimbursements as was the case in the 2018 budget;
- The Capital Expenditure budget will increase by \$50,000 for the acquisition of 147 police ballistic vests, a transport vehicle, resurfacing the police headquarters parking lot, the construction of a pole barn in the parking area for storage, and second year costs of the body worn contract;
- With the inclusion of the Animal Control budget in the overall departmental responsibilities, the City will continue to maintain a more realistic contribution level to the Griffin Pond Animal Shelter which is generally the sole recipient organization of the City's animal control program. Prior to authorizing any contribution, City officials will meet with the Center Board of Directors to understand how the relationship will be impacted by the recent personnel changes and structural changes to the facility. The delivery of animals to the Shelter had reached what may

be deemed crisis proportions in 2014. With a dispersion of responsibilities for the maintenance of the program, funding in this budget will also include allocations to the Veterinary Emergency Referral Center, the Abington Veterinary Center, and St. Dogs and Cats.

Public Safety – Scranton Fire Department

Department Description

The Scranton Fire Department serves the needs of the Scranton community and its citizens through fire and emergency services. It also conducts a variety of prevention efforts and public education programs to promote fire safety throughout the community. Eight fire stations are manned and operated by the Department.

2019 Budget Highlights

- The City expects future staffing levels to remain relatively constant without SAFER grant support;
- Health insurance costs are projected based on 2018 year to date expenditures;
- The Fire House improvement project will have been substantially completed by the conclusion of 2018. An amount of \$1,500,000 was included in the 2018 budget to fund facilities improvements. The concrete pads replacement project may continue into 2019;
- Capital acquisitions will include a new Engine 8 and the refurbishment of Truck 4.

Department of Public Works

Department Description

In 2019, the Department of Public Works will be comprised of five bureaus; Administration, Engineering, Highways, Refuse, and Garage. The Bureau of Parks & Recreation was designated as a separate department in the 2018 operating budget which is consistent with City of Scranton historical standards. The Department's responsibilities include year-round roadway maintenance and repair,

weekly household trash collection services, design and construction management of streets, bridges, and public buildings, traffic engineering, street lighting and traffic signal maintenance coordination, and office operations.

The **Bureau of Administration** provides overall policy direction, management, and communication for the Department. The bureau coordinates financial initiatives related to the Department, as well as purchasing, and payroll services.

The **Bureau of Engineering** manages all activities involving technical support associated with private development and use of the City's street rights-of-way.

The **Bureau of Highways** is responsible for roadway maintenance, sweeping, and snow removal on public streets and alleys.

The **Bureau of Refuse** provides weekly trash collection services, including large item acceptance. The bureau is also responsible for the City's residential recycling program.

The **Bureau of Garage and Equipment Maintenance** services and procures vehicles and other equipment for the City of Scranton, including the oversight of the parts inventories, tools and other supplies, as well as the City's fuel purchase program.

2019 Budget Highlights

Department of Public Works – Administration

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- Health insurance costs are projected based on 2018 year to date expenditures;
 - The Professional Services budget is decreased since the cost of consulting services to complete an energy efficiency evaluation on the Public Works facility will be incorporated into the ESCO lease;
 - The flood protection system maintenance line item will provide reflect funding received for flood control projects and a grant match for the upgrade of the Keyser Valley Pumping Station.

Department of Public Works – Engineering

- The budget is consistent with 2018.

Department of Public Works – Highways

- The budget is consistent with 2018 as PP&L continues to implement the rate code changes for the City's change to LED lighting;
- The Capital Expenditures is consistent in using a measured approach to equipment replacement;
- The roadway resurfacing budget remains at \$875,000 consistent with the increase in the City's 2019 Liquid Fuels allocation;
- The capital expenditures budget is increased to meet costs associated with the acquisition of a paver.

Department of Public Works – Refuse

- The Capital Expenditures budget includes an amount to purchase a refuse packer;
- Recycling includes an amount anticipated to fund an electronic component drop-off program although the program will require much greater evaluation and state Department of Environmental approval.

Department of Public Works – Garage

- The Capital Expenditures budget was funded to acquire new garage maintenance equipment, including a lift.

Department of Parks and Recreation

The **Bureau of Parks & Recreation** provides a broad range of recreational programs and services to the residents of the City of Scranton, as well as maintenance and oversight of the City's parks system. The City's parks system encompasses 28 parks including 7 pools, 2 waterslides, and a dog park. The recent addition is the elevated park adjacent to the 500 Lackawanna Avenue residences. The park system offers many recreational activities to the residents of the City of Scranton. Additionally, the bureau provides logistical support to the many organization sponsored activities held within the geography of the City of Scranton. The rationale for the departmental segregation is based on the general deterioration of the parks system and the significance of projects in process, including improvements to Novembrino Park and Crowley Park, and prospective projects including the Linden Street Park, the joint soccer field project with the school district, the pedestrian bridge project undertaken by the Lackawanna Valley Heritage Authority, and the Trailhead Project at Parker Street. These projects are presently overseen with assistance by the Office of Business Administration.

-
- Capital expenditures are generally a carry-over from 2018, include a component for funding improvements to the Novembrino Recreation Complex. The state Department of Natural Resources and Conservation approved a grant application submitted by the City for \$288,000. An amount of \$220,000.00 has been designated by the Office and Economic and Community Development and the funding component of \$23,000 assigned by the Sewer Authority. The Capital Expenditures budget incorporates an additional \$300,000 to fund the project;
 - The Capital expenditures budget also includes any remaining costs for Crowley Park, \$100,000 for the pedestrian bridge project undertaken by the Lackawanna Heritage Valley Authority on North 7th Avenue, \$100,000 for the joint soccer field project with the Scranton School District and the Electric City Shock, and \$25,000 for the green space development on Linden Street. The City expects the green space costs to be fully grant funded.
 - The increase in salary is based on the appointment of an assistant department Director.
 - The City will continue to seek Weston Fund allocations for the continued maintenance of Weston Field and Weston Park. A plan to prepare a five-year budget for improvements to the parks is recommended. The plan design will be funded by the Foundation.

Single Tax Office

Office Description

The Scranton Single Tax Office was created to administer the tax laws of the City of Scranton and the Scranton School District and to provide one single location for residents to conveniently pay various taxes. The Collector of Taxes, an elected official, supervises an office staff which strives to assess and collect all taxes in a fair and equitable manner. The City and School District assume an equal responsibility for the incurred wages and benefits associated with this office. In 2012, Berkheimer Associates began collecting the Wage Tax through an appointment from the Tax Collection Committee as designated under Commonwealth of Pennsylvania Act 32. The Tax office collects:

- Current Real Estate Taxes for Lackawanna County, the Scranton School District, and The City of Scranton;
- Local taxes including current and delinquent Scranton School District and City of Scranton Business Privilege and Mercantile Taxes, Amusement taxes, and the Local Services Tax;

2018 Budget Highlights

- The City continues to working cooperatively with the Tax Office to execute an analytics program designed to better identify tax payers responsible for the Business Privilege and Mercantile Taxes;

Non-Departmental Expenditures

Budget Description

The budget category of Non-Departmental Expenditures includes three distinct components:

- (1) Funding and Contributions for Boards/Commissions/and Non-Profits with City based functions.

- (2) Total principal and interest payments on direct debt obligations of the City, and listed separately, lease payments due during the fiscal year;

- (3) Total Miscellaneous, which includes prior year unencumbered and unpaid bills, court awards, and contingency expenditures.

Boards Commissions and Non-Profits

- The Scranton Plan contribution reinstates a financial commitment to the Plan previously suspended by the City. The 2019 budget includes a \$150,000 contribution to assist with promotional activities for the prospective LERTA adjustments and the Opportunity Zone program; and a carryover \$50,000 to fund a matching component to install sidewalks at the Mt. Pleasant development site. The disbursement will occur only based on an actual project match and is a continuation from 2018;
- The Scranton Tomorrow budget is reflective of the City's annual contribution to the organization as Downtown Economic Revitalization Coordinator and as a prelude to the construction of a Business Improvement District. The budget includes an annual operating contribution, a targeted allocation from the Economic Development account, and a component of the University of Scranton allocation;
- The St. Cats and Dogs budget was maintained to accept any overflow of animal volume which exceeds the capacity of Griffin Pond. The volume of cats has transitioned to a degree from Griffin Pond to St. Cats and Dogs due to those capacity issues. The City continues to evaluate options to the exclusive use of the Griffin Pond Animal Center, which was beset by operational issues in 2018;
- The Shade Tree Commission budget will increase to implement a tree planting program in the City's downtown section and to maintain consistency with the continued success the program achieved in 2018. The budget also includes funding to continue the stump removal program;
- The City has paid for trail maintenance according to a contract with the Lackawanna Heritage Valley Authority. The funding responsibility is based on an arithmetic formula per each mile of

train with the City geography. The budget identifies maintenance responsibilities for 2019 and a match component for the Parker Street Trailhead.

Total Principal and Interest Payments, Debt Obligations/Lease Payments

The City of Scranton will continue to dedicate a percentage of the real estate tax levy for debt service. The allocation does not include lease payments. The concept was modified from the 2016 budget which included dedicated debt service millage. Because of the complexity of calculating four millage components, the concept was collapsed to the traditional two millage components with a designated percentage for debt service. The 2018 Operating Budget concludes a complete re-profiling of the City's debt structure. In addition to the new debt issues related to the comprehensive parking transaction and the award settlement, the City completely refunded or defeased all remaining higher yielding debt. The only remaining pre-2014 debt series remaining is that of the 2002 Emmaus General Authority variable rate issue, which may be refunded to fixed rate debt if the City receives an investment grade debt rating in 2019.

A description of City debt transactions since 2014 follows:

New Debt Issuance Since 2014

Refinancing of 2009 and 2011 Defaulted Parking Loans

Issuer: The Parking Authority of the City of Scranton, Pennsylvania

\$3,828,480 Refunding Revenue Note, Series of 2014

Purpose: To refund, on an interim taxable basis, parking related loans that defaulted in 2012.

Average Rate of the Issue: 6.75% (has since been paid off as planned)

Settlement: December 2014

Pennsylvania Infrastructure Bank Loan

Issuer: The City of Scranton

\$2,420,000 General Obligation Note, Series of 2015

Purpose: (1) Funds for roadway improvements

Combined Average Rate of the Issue: 1.625%

Settlement: 2015

Financing of Judgment

Issuer: The Redevelopment Authority of the City of Scranton

\$29,810,000 Guaranteed Lease Revenue Bonds, Series A of 2016

\$7,920,000 Guaranteed Lease Revenue Bonds, Series AA of 2016 (Taxable)

Purpose: (1) Payments to City employees related to the 2012 Supreme Court Award, approximately \$1.6 million of which was deposited into the City's Pension Funds (negotiated per the Judgement) and (2) Approximately \$5.6 million to refund the outstanding Guaranteed Lease Revenue Bonds, Series of 2008 for interest rate savings

Combined Average Rate of the Issue: 4.56% (Series A: 3.98%) (Series AA: 5.95%)

Settlement: June 28, 2016

Financing of the Stranded Debt Related to the Parking System

Issuer: City of Scranton

\$32,850,000 General Obligation Notes, Series of 2016

Purpose: (1) Finance "stranded" debt related to the Parking System after receipt of the Concession payment, (2) provide approximately \$1.8 million funds for certain fire stations located in the City

Average Rate of the Issue: 3.73%

Settlement: August 30, 2016

Refinancing of the City's General Obligation Bonds, Series B of 2003

Issuer: City of Scranton

\$24,620,000 General Obligation Bonds, Series of 2017

Purpose: Refund the Series B of 2003 Bonds for approximately \$1.2 million in interest rate savings

Average Rate of the Issue: 3.63%

Settlement August 31, 2017

Bonds Paid Off Since 2014

Parking Related Debt

With the receipt of the Concession proceeds and the issuance of the Series of 2016 Notes, the City and Authority paid off the 2014 Bank loan, and the Guaranteed Parking Revenue Bonds Series 2004, 2006 and 2007 which totaled approximately \$51 million of principal.

Use of Sewer Proceeds & Other City Funds

The City has utilized a portion of the proceeds it received as a result of the sewer sale, committed debt service funds, and a contribution from bond insurer AMBAC to pay off several series of debt.

Approximately \$18.9 million to payoff the City's General Obligation Bonds Series A, B & C of 12 and Series A of 2013 which had rates ranging from 7.25% to 8.50%

Approximately \$8.9 million to payoff the Scranton Redevelopment Authority Guaranteed Lease Revenue Bonds, Series of 2006 which had rates of 6.10%

Approximately \$20 million to payoff the City's General Obligation Bonds, Series C & D of 2003 which had rates ranging from 4.90% to 5.60%.

To summarize, in 2014 the City had debt obligations (principal and interest) totaling approximately \$237 million (2039 final maturity) and an approximate annual debt service payment of \$14 million per year. It was also faced with defaulted parking loans, a parking system which was a drain on the General Fund with major capital needs which would further strain the General Fund, a large court judgement, and rapidly increasing MMO costs.

After the most recent refunding transaction, the City was left with an approximate annual debt service payment of \$10.6 million and a relatively short debt portfolio which pays off in 2032- 15 years from now. Over the life of the remaining bonds, the City will pay approximately \$148 million of debt service and its highest interest rate is 5.25%.

To highlight the only anticipated debt transaction impacting the general fund in 2018:

- The Tax Anticipation Note will be issue at approximately the same amount as 2018. The transaction will be completed on a negotiated basis as a private sale with M&T Bank, which is allowed under the Local Government Unit Debt Act. The private placement will yield 3.65%, which is favorable in the current interest rate environment.
- Additional lease payments are budgeted for the energy savings project.

Total Miscellaneous, including Contingencies and Unencumbered Expenses

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- The Contingency budget is funded for non-budgeted emergencies, or when an individual budget is vastly exceeded due to emergencies;
 - Unencumbered expenses are payments carried over from the prior fiscal year which have not been subject to encumbrance;
 - The court award budget is expected to fund the remaining Award Settlement payments not resolved by the conclusion of 2018 and any litigation settlements resolved by the Law Department;
 - The Veterans Organization budget includes a \$50,000 contribution for Phase II of the Veterans Memorial project;
 - The OPEB Trust Fund allocation is based on a recommendation from the City's auditor. The fund would be established for Other Postemployment Benefits, which may include Medicare reimbursements. The Government Finance Officers Associations recommends as a best practice that governments prefund their obligations for postemployment benefits other than pensions once it is determined that the employer has incurred a substantial long-term liability, which is the case with the City of Scranton. If funds properly, the City may make long term investments

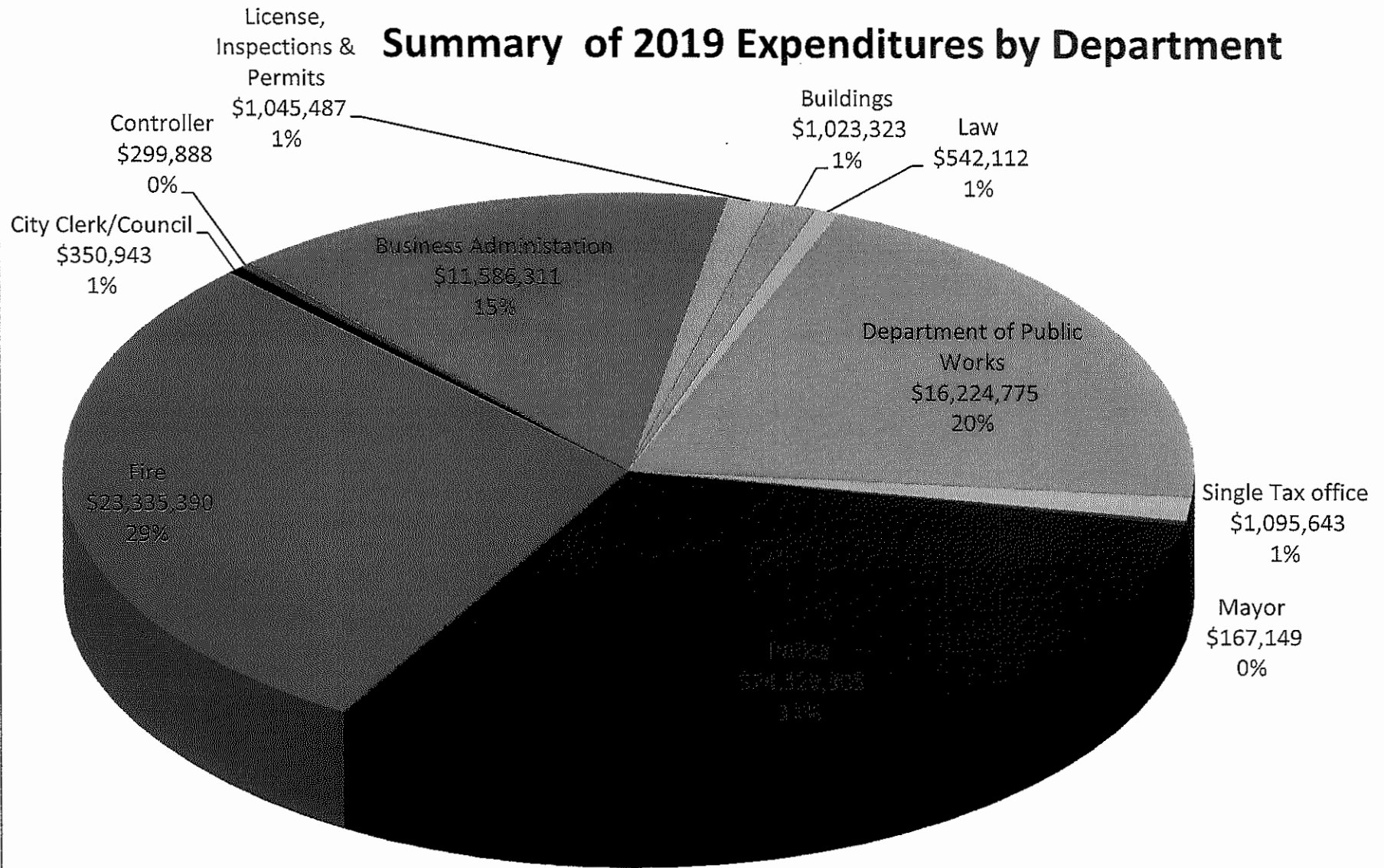
to cover these obligations through a separate trust fund the should, over time, result in a lower total cost for providing postemployment benefits. Other examples of postemployment benefits might include health care or insurance premiums.

The City would seek further evaluation and comment from the pension board actuary and administrator in creating the fund. The City anticipates potential funding allocations if the Workers Compensation Reserve fund is granted reductions by the Department of Labor and Industry;

- The Targeted Expenses Budget will support contractual payment requirements for third party agreements which are performance based. As an example, the analytics and identification program implemented for the Single Tax office for the Business Privilege and Mercantile Tax Program requires a 20% compensation level for all dollars collected resulting from the program. Those dollars are received by the City and 20% of those payments are remitted to the third party. This line item will provide more clarity in identifying those payments;
- The grant match line item is new for 2019 and is based on a list of grants both approved and pending as submitted by the City's grant writer.

CITY OF SCRANTON			
2019 OPERATING BUDGET			
EXPENDITURE SUMMARY BY DEPARTMENT			
	2018	2018	2019
	Operating Budget	Through 9/30/2018	Operating Budget
MAYOR	\$ 168,061.70	\$ 127,385.49	\$ 167,148.63
DEPT OF PUBLIC SAFETY BUREAU OF POLICE	\$ 24,954,331.94	17,103,824.06	24,329,905.50
DEPT OF PUBLIC SAFETY BUREAU OF FIRE	25,409,079.87	14,785,281.88	23,335,390.01
CITY CLERK/COUNCIL	344,112.50	245,936.61	350,943.14
CONTROLLER	295,316.34	187,014.02	299,888.39
DEPT OF BUSINESS ADMINISTRATION BUREAU OF ADMINISTRATION	8,709,329.90	6,573,687.95	8,595,353.49
DEPT OF BUSINESS ADMINISTRATION BUREAU OF HUMAN RESOURCES	1,766,839.01	1,176,425.95	1,583,395.46
DEPT OF BUSINESS ADMINISTRATION BUREAU OF INFO TECHNOLOGY	832,250.00	722,587.44	1,252,250.00
DEPT OF BUSINESS ADMINISTRATION BUREAU OF TREASURY	137,951.10	94,481.51	155,311.98
DEPT OF LICENSES INSPECTIONS & PERMITS BUREAU OF LIPS	920,468.38	587,460.36	1,045,486.55
DEPT OF LICENSES INSPECTIONS & PERMITS BUREAU OF BUILDINGS	1,237,189.47	878,075.14	1,023,322.76
LAW DEPARTMENT	423,562.47	265,715.77	542,112.47
DEPT OF PUBLIC WORKS BUREAU OF ADMINISTRATION	3,497,079.26	2,171,283.42	4,781,905.40
DEPT OF PUBLIC WORKS BUREAU OF ENGINEERING	197,767.70	124,017.44	197,164.08
DEPT OF PUBLIC WORKS BUREAU OF HIGHWAYS	3,745,055.21	1,969,166.46	4,151,491.74
DEPT OF PUBLIC WORKS BUREAU OF REFUSE	3,896,580.46	2,980,254.23	4,136,663.42
DEPT OF PUBLIC WORKS BUREAU OF GARAGES	1,282,152.24	963,565.50	1,329,276.02
DEPARTMENT OF PUBLIC WORKS- BUREAU OF PARKS & RECREATION	1,563,580.15	590,721.77	1,628,274.39
SINGLE TAX OFFICE	789,959.49	562,230.21	1,095,643.49
NON-DEPARTMENTAL	27,504,130.60	4,498,478.57	30,057,779.75
TOTAL OPERATING EXPENDITURES	\$ 107,674,797.79	\$ 56,607,593.78	\$ 110,058,706.66
ECONOMIC & COMMUNITY DEVELOPMENT (NON-ADDITION TO THE BUDGET)	\$ 649,985.32	\$ 524,987.88	\$ 647,544.47

Summary of 2019 Expenditures by Department



■ Mayor ■ Police ■ Fire ■ City Clerk/Council ■ Controller ■ Business Administration ■ License, Inspections & Permits ■ Buildings ■ Law ■ Department of Public Works ■ Single Tax office

CITY OF SCRANTON				
2019 OPERATING BUDGET				
EXPENDITURE SUMMARY BY ACCOUNT				
		2018	2018	2019
		Operating Budget	THROUGH 9/30/2018	Budget
4010	STANDARD SALARY	\$ 27,473,211.04	\$ 19,696,949.55	\$ 28,529,695.51
4040	OTHER SALARY	1,107,517.00	\$ 922,160.22	1,079,100.00
4070	LONGEVITY SALARY	1,832,646.15	\$ 1,206,363.60	1,861,007.77
4080	OVERTIME SALARY	1,058,701.30	\$ 1,345,853.86	1,402,750.00
4090	COURT APPEARANCE SALARY	135,000.00	\$ 105,180.57	135,000.00
4101	UNIFORM ALLOWANCE	268,248.21	\$ 226,635.19	268,120.00
4112	HEALTH INSURANCE - POLICE UNION	5,901,830.83	\$ 5,395,376.06	5,744,220.06
4113	HEALTH INSURANCE - FIRE UNION	5,329,301.05	\$ 3,687,847.55	4,279,591.00
4116	HEALTH INSURANCE - CLERICAL UNION	1,565,040.07	\$ 1,202,402.61	1,555,980.00
4117	HEALTH INSURANCE - NON-UNION	1,151,642.25	\$ 1,376,292.93	1,620,366.00
4118	HEALTH INSURANCE - DPW UNION	2,529,641.97	\$ 1,361,937.91	1,773,915.00
4119	HEALTH INSURANCE - SINGLE TAX OFFICE	410,670.98	\$ 282,303.11	702,956.00
4120	LIFE/DISABILITY INSURANCE	346,905.00	\$ 284,825.24	346,905.00
4130	L.A.M. PENSION	300,344.00	\$ 340,564.72	455,000.00
4140	CITY 10% EARLY RETIREMENT	253,176.90	\$ 208,167.72	255,962.95
4150	CITY PENSION	13,603,516.00	\$ 3,685,089.46	10,808,680.00
4170	POLICE EDUCATION ALLOWANCE	60,000.00	\$ -	60,000.00
4180	SOCIAL SECURITY	898,090.00	\$ 739,612.45	921,230.00
4190	UNEMPLOYMENT INSURANCE	25,000.00	\$ 474.16	25,000.00
	TOTAL EMPLOYEE COMPENSATION	\$ 64,250,482.75	\$ 42,068,036.91	\$ 61,825,479.28
4201	PROFESSIONAL SERVICES	1,080,000.00	\$ 936,714.52	1,391,500.00
4210	SERVICES & MAINTENANCE FEE	186,290.00	\$ 118,571.43	205,290.00
4220	CONTRACTED SERVICES	750.00	\$ 1,831.82	2,145.00

CITY OF SCRANTON
2019 OPERATING BUDGET
EXPENDITURE SUMMARY BY ACCOUNT

		2018	2018	2019
		Operating Budget	THROUGH 9/30/2018	Budget
4230	PRINTING & BINDING	8,250.00	\$ 3,511.94	8,750.00
4240	POSTAGE & FREIGHT	30,100.00	\$ 29,189.00	34,100.00
4250	ADVERTISING	48,750.00	\$ 33,976.40	54,000.00
4260	RENTAL VEHICLES & EQUIPMENT	300,000.00	\$ 20,010.80	300,000.00
4270	DUES & SUBSCRIPTIONS	32,651.70	\$ 28,511.10	31,263.63
4280	MISC SERVICES-NOT CLASSIFIED	7,000.00	\$ 3,458.71	7,000.00
4290	STATIONERY/OFFICE SUPPLIES	43,950.00	\$ 11,725.49	20,250.00
4301	GAS. OIL & LUBRICANTS	295,000.00	\$ 323,309.36	340,000.00
4310	EQUIPMENT/VEHICLE REPAIR & MAINT	325,000.00	\$ 267,753.58	325,000.00
4320	BUILDING REPAIR-SUPPLY & MAINT	175,000.00	\$ 154,815.31	180,000.00
4330	MEDICAL, CHEMICAL & LAB SUPPLIES	20,000.00	\$ 4,667.80	20,000.00
4340	CONSTRUCTION-PAVING MATERIAL	100,000.00	\$ 84,310.21	150,000.00
4350	PAINT & SIGN MATERIAL	50,000.00	\$ 8,362.34	25,000.00
4360	SMALL TOOLS/SHOP SUPPLIES	7,000.00	\$ 4,904.57	7,000.00
4370	PARKS & RECREATION SUPPLIES	63,000.00	\$ 15,769.60	48,600.00
4380	GUNS & AMMUNITION	22,500.00	\$ 9,605.43	30,000.00
4390	MATERIAL/SUPPLIES (MISC)	191,600.00	\$ 146,632.28	208,600.00
4401	TIRES	109,500.00	\$ 62,483.23	109,500.00
4410	SALT	273,500.00	\$ 403,734.07	425,000.00
4420	TRAVEL & LODGING	18,000.00	\$ 5,498.66	21,750.00
4430	AIR PACKS/REHAB SUPPLIES	6,000.00	\$ 81.25	6,000.00
4440	TELEPHONE	150,000.00	\$ 127,856.45	200,000.00

CITY OF SCRANTON
2019 OPERATING BUDGET
EXPENDITURE SUMMARY BY ACCOUNT

		2018 Operating Budget	2018 THROUGH 9/30/2018	2019 Budget
4450	ELECTRICAL	275,000.00	\$ 197,311.06	135,000.00
4445	SEWER CHARGES	5,000.00	\$ -	-
4447	PG ENERGY GAS	135,000.00	\$ 86,267.01	135,000.00
4448	PAWC-WATER	475,000.00	\$ 374,897.84	475,000.00
4460	STREET LIGHTING	375,000.00	\$ 143,790.14	200,000.00
4465	BUILDING SUPPLIES	1,000.00	\$ -	1,000.00
4466	STREET LIGHTING SERVICE / MAINTENANCE	77,500.00	\$ 38,170.95	60,000.00
4467	TRAFFIC SIGNAL ELECTRICITY	-	\$ -	90,000.00
4470	TRAINING & CERTIFICATION	143,000.00	\$ 108,810.99	192,500.00
4480	SELF INSURANCE	110,000.00	-	110,000.00
4490	LANDFILL	1,271,434.74	\$ 1,022,808.65	1,300,000.00
4530	PERFORMING ARTS	20,000.00	\$ 15,675.00	20,000.00
4540	SPRING/SUMMER PROGRAM	3,000.00	\$ 2,886.01	3,000.00
4550	CAPITAL EXPENDITURES	3,106,250.00	\$ 2,074,124.37	3,333,000.00
4551	ROAD RESURFACING	875,000.00	\$ -	875,000.00
4555	RECYCLING	-	\$ -	175,000.00
4560	EQUIPMENT MAINTENANCE & LEASES	50,000.00	\$ 45,000.00	94,000.00
4570	MAINTENANCE OF COMMUNICATION EQUIP	28,750.00	\$ 17,970.11	28,750.00
4575	MAINTENANCE-EQUIPMENT	1,000.00	\$ -	1,000.00
4576	MAINTENANCE OF SUPER FUND SIGHT	13,000.00	\$ 6,935.80	13,000.00
4580	GENERAL EQUIPMENT	75,000.00	\$ 58,163.61	65,000.00
4590	BUILDING DEMOLITION	65,000.00	\$ 10,252.00	150,000.00
4630	LIABILITY & CASUALTY INSURANCE	1,371,000.00	\$ 915,579.60	1,175,000.00

CITY OF SCRANTON
2019 OPERATING BUDGET
EXPENDITURE SUMMARY BY ACCOUNT

		2018	2018	2019
		Operating Budget	THROUGH 9/30/2018	Budget
4901	PREVENTATIVE MAINTENANCE	7,500.00	\$ 3,421.12	7,500.00
6000	TAX & MISC REFUNDS	1,000.00	\$ 3,073.30	5,000.00
6001	TAX COLLECTION COMMITTEE EXPENSE	500.00	\$ -	500.00
6003	SPCA ANIMAL CONTROL	86,976.00	\$ 78,260.47	86,976.00
6004	SINGLE TAX OFFICE AUDIT	-	\$ -	-
6006	PERSONNEL COST ADJUSTMENT	-	\$ 2,456.63	7,500.00
6007	FLOOD PROTECTION SYSTEM MAINTENANCE	50,000.00	\$ 25,215.63	1,973,900.00
6009	WORKERS' COMPENSATION	3,743,432.00	\$ 2,000,000.00	3,300,718.00
6024	BANK FEES & CHARGES	11,000.00	\$ 206.16	11,000.00
	NON-DEPARTMENTAL EXPENDITURES:			
10020-10140	BOARDS & COMMISSIONS	359,500.00	312,500.03	690,000.00
15010-15360	INTEREST & DEBT SERVICE (w/o TANs)	11,722,981.50	3,421,605.21	13,019,000.93
15230-15240	TANs (SERIES A & B)	13,244,850.00	-	13,215,375.00
13090,16090-17060	UNPAID BILLS/COURT AWARDS/MISCELLANEOUS	2,176,799.10	764,373.33	3,133,403.82
	TOTAL NON-DEPARTMENTAL EXPENDITURES	27,504,130.60	4,498,478.57	30,057,779.75
	TOTAL OPERATING EXPENDITURES	\$ 107,674,797.79	\$ 56,605,077.28	\$ 110,058,706.66
4010	ECONOMIC & COMMUNITY DEVELOPMENT			
	STANDARD SALARY (NON-ADDITION TO THE BUDGET)	649,985.32	524,987.88	647,544.47

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number		Account Description		2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Office of the Mayor - #10						
4010	01.010.00000.4010	STANDARD SALARY		\$ 144,085.00	104,081.30	144,085.00
4040	01.010.00000.4040	OTHER SALARY (MISC)		0	-	-
4080	01.010.00000.4080	OVERTIME SALARY		0	-	-
		TOTAL EMPLOYEE COMPENSATION		\$ 144,085.00	\$ 104,081.30	\$ 144,085.00
4270	01.010.00000.4270	DUES AND SUBSCRIPTIONS		22,826.70	22,826.70	21,913.63
4290	01.010.00000.4290	STATIONARY/OFFICE SUPPLIES		150.00	42.49	150.00
4390	01.010.00000.4390	MATERIALS/SUPPLIES (MISC)		-	-	-
4420	01.010.00000.4420	TRAVEL AND LODGING		1,000.00	435.00	1,000.00
4550	01.010.00000.4550	CAPITAL EXPENDITURES		-	-	-
		TOTAL OPERATING EXPENDITURES		\$ 23,976.70	\$ 23,304.19	\$ 23,063.63
		DEPARTMENT of MAYOR TOTAL		\$ 168,061.70	\$ 127,385.49	\$ 167,148.63

CITY OF SCRANTON				
2019 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Dept. of Public Safety - #11				
Bureau of Police - #71				
4010 01.011.00071.4010	STANDARD SALARY	\$ 10,525,848.30	7,671,667.16	10,956,666.44
4040 01.011.00071.4040	OTHER SALARY (MISC)	401,017.00	301,642.40	400,000.00
4070 01.011.00071.4070	LONGEVITY SALARY	806,113.31	636,455.75	872,919.00
4080 01.011.00071.4080	OVERTIME SALARY	400,000.00	576,064.77	650,000.00
4090 01.011.00071.4090	COURT APPEARANCE SALARY	135,000.00	105,180.57	135,000.00
4101 01.011.00071.4101	UNIFORM ALLOWANCE	115,850.00	109,190.00	115,850.00
4112 01.011.00071.4112	HEALTH INSURANCE - POLICE UNION	5,901,830.83	5,395,376.06	5,744,220.06
4120 01.011.00071.4120	LIFE/DISABILITY INSURANCE	150,634.00	123,712.25	150,634.00
4140 01.011.00071.4140	CITY 10% EARLY RETIREMENT	131,581.50	109,051.60	133,030.00
4150 01.011.00071.4150	CITY PENSION	5,343,583.00	1,367,841.45	4,073,480.00
4170 01.011.00071.4170	POLICE EDUCATION ALLOWANCE	60,000.00	-	60,000.00
4180 01.011.00071.4180	SOCIAL SECURITY	332,998.00	291,757.25	346,230.00
	TOTAL EMPLOYEE COMPENSATION	\$ 24,304,455.94	\$ 16,687,939.26	\$ 23,638,029.50
4201 01.011.00071.4201	PROFESSIONAL SERVICES	\$ 25,000.00	16,021.50	40,000.00
4210 01.011.00071.4210	SERVICES AND MAINTENANCE FEE	75,000.00	57,603.85	69,000.00
4270 01.011.00071.4270	DUES AND SUBSCRIPTIONS	3,150.00	3,142.15	3,150.00
4280 01.011.00071.4280	MISC SERVICES-NON CLASSIFIED	2,000.00	1,751.68	2,000.00
4290 01.011.00071.4290	STATIONARY/OFFICE SUPPLIES	2,750.00	2,343.84	2,750.00
4380 01.011.00071.4380	GUNS/AMMUNITION	22,500.00	9,605.43	30,000.00
4390 01.011.00071.4390	MATERIALS/SUPPLIES (MISC)	21,000.00	13,529.65	21,000.00
4420 01.011.00071.4420	TRAVEL AND LODGING	4,000.00	3,862.08	4,500.00
4470 01.011.00071.4470	TRAINING AND CERTIFICATION	50,000.00	38,200.74	50,000.00
4550 01.011.00071.4550	CAPITAL EXPENDITURES	350,000.00	187,315.30	375,000.00
4570 01.011.00071.4570	MAINTENANCE COMMUNICATION EQUIPMENT	7,500.00	4,248.11	7,500.00
6003 01.011.00071.6003	SPCA-ANIMAL CONTROL	86,976.00	78,260.47	86,976.00
	TOTAL OPERATING EXPENDITURES	649,876.00	415,884.80	691,876.00
	BUREAU of POLICE TOTAL	\$ 24,954,331.94	\$ 17,103,824.06	\$ 24,329,905.50

CITY OF SCRANTON				
2019 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Dept. of Public Safety - #11				
Bureau of Fire - #78				
4010 01.011.00078.4010	STANDARD SALARY	\$ 9,660,286.61	6,892,988.20	10,002,752.16
4040 01.011.00078.4040	OTHER SALARY (MISC)	450,000.00	446,968.83	500,000.00
4070 01.011.00078.4070	LONGEVITY SALARY	775,213.81	569,907.85	\$ 758,574.90
4080 01.011.00078.4080	OVERTIME SALARY	275,000.00	431,057.44	350,000.00
4101 01.011.00078.4101	UNIFORM ALLOWANCE	98,550.00	69,140.76	98,550.00
4113 01.011.00078.4113	HEALTH INSURANCE - FIRE UNION	5,329,301.05	3,687,847.55	4,279,591.00
4120 01.011.00078.4120	LIFE/DISABILITY INSURANCE	141,521.00	116,210.02	141,521.00
4140 01.011.00078.4140	CITY 10% EARLY RETIREMENT	121,595.40	99,116.12	122,932.95
4150 01.011.00078.4150	CITY PENSION	7,087,112.00	1,246,047.35	5,985,968.00
	TOTAL EMPLOYEE COMPENSATION	\$ 23,938,579.87	\$ 13,559,284.12	\$ 22,239,890.01
4201 01.011.00078.4201	PROFESSIONAL SERVICES	\$ 23,000.00	28,053.86	30,000.00
4210 01.011.00078.4210	SERVICES AND MAINTENANCE FEE	15,000.00	6,950.06	15,000.00
4270 01.011.00078.4270	DUES AND SUBSCRIPTIONS	1,000.00	150.00	1,000.00
4316 01.011.00078.4316	CLEAN AIR MAINTENANCE	-	-	-
4320 01.011.00078.4320	BLDG/REPAIR-SUPPLY MAINT	10,000.00	12,109.67	15,000.00
4390 01.011.00078.4390	MATERIALS/SUPPLIES (MISC)	7,250.00	5,501.49	7,250.00
4420 01.011.00078.4420	TRAVEL AND LODGING	3,000.00	770.90	3,000.00
4430 01.011.00078.4430	AIR PACKS/REHAB SUPPLIES	6,000.00	81.25	6,000.00
4470 01.011.00078.4470	TRAINING AND CERTIFICATION	75,000.00	66,689.73	95,000.00
4550 01.011.00078.4550	CAPITAL EXPENDITURES	1,250,000.00	1,046,150.19	853,000.00
4570 01.011.00078.4570	MAINTENANCE COMMUNICATION EQUIP	4,250.00	1,377.00	4,250.00
4575 01.011.00078.4575	MAINTENANCE-EQUIPMENT	1,000.00	-	1,000.00
4580 01.011.00078.4580	GENERAL EQUIPMENT	75,000.00	58,163.61	65,000.00
	TOTAL OPERATING EXPENDITURES	\$ 1,470,500.00	\$ 1,225,997.76	\$ 1,095,500.00
	BUREAU of FIRE TOTAL	\$ 25,409,079.87	\$ 14,785,281.88	\$ 23,335,390.01
	DEPARTMENT of PUBLIC SAFETY TOTAL	\$ 50,363,411.81	\$ 31,889,105.94	\$ 47,665,295.50

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
			2018	2018	2019
Account Number	Account Description		Operating Budget	(Through 9/30/2018)	Operating Budget
Office of the City Clerk/City Council - #20					
4010	01.020.00000.4010	STANDARD SALARY	\$ 230,937.37	163,978.54	233,315.79
4040	01.020.00000.4040	OTHER SALARY (MISC)	-	1,500.00	1,000.00
4070	01.020.00000.4070	LONGEVITY SALARY	3,425.13	-	3,877.35
4080	01.020.00000.4080	OVERTIME SALARY	500.00	351.51	500.00
		TOTAL EMPLOYEE COMPENSATION	\$ 234,862.50	\$ 165,830.05	\$ 238,693.14
4201	01.020.00000.4201	PROFESSIONAL SERVICES	\$ 56,000.00	51,064.01	59,000.00
4210	01.020.00000.4210	SERVICES AND MAINTENANCE FEE	15,000.00	10,795.00	15,000.00
4220	01.020.00000.4220	CONTRACTED SERVICES	-	-	-
4230	01.020.00000.4230	PRINTING AND BINDING	6,250.00	2,210.96	6,250.00
4250	01.020.00000.4250	ADVERTISING	31,500.00	15,686.60	31,500.00
4260	01.020.00000.4260	RENTAL VEHICLES & EQUIPMENT	-	-	-
4270	01.020.00000.4270	DUES AND SUBSCRIPTIONS	-	-	-
4290	01.020.00000.4290	STATIONARY/OFFICE SUPPL	500.00	349.99	500.00
4420	01.020.00000.4420	TRAVEL AND LODGING	-	-	-
4550	01.020.00000.4550	CAPITAL EXPENDITURES	-	-	-
		TOTAL OPERATING EXPENDITURES	\$ 109,250.00	\$ 80,106.56	\$ 112,250.00
		DEPARTMENT of CITY CLERK / CITY COUNCIL TOTAL	\$ 344,112.50	\$ 245,936.61	\$ 350,943.14

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						

CITY OF SCRANTON
2019 OPERATING BUDGET
BUDGETED EXPENDITURES
GENERAL FUND

Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Department of Business Administration - #40				
Bureau of Administration - #40				
4010 01.040.00040.4010	STANDARD SALARY	\$ 336,973.58	239,596.31	360,830.14
4040 01.040.00040.4040	OTHER SALARY (MISC)	2,500.00	2,250.00	-
4070 01.040.00040.4070	LONGEVITY SALARY	3,329.00	-	3,877.35
4080 01.040.00040.4080	OVERTIME SALARY	-	-	-
4116 01.040.00040.4116	HEALTH INSURANCE - CLERICAL UNION	1,565,040.07	1,202,402.61	1,555,980.00
4117 01.040.00040.4117	HEALTH INSURANCE - NON UNION	1,151,642.25	1,376,292.93	1,620,366.00
4120 01.040.00040.4120	LIFE/DISABILITY INSURANCE	54,750.00	44,902.97	54,750.00
4150 01.040.00040.4150	CITY PENSION	1,172,821.00	1,071,200.66	749,232.00
4180 01.040.00040.4180	SOCIAL SECURITY	213,992.00	156,407.40	225,000.00
4190 01.040.00040.4190	UNEMPLOYMENT INSURANCE	25,000.00	474.16	25,000.00
	TOTAL EMPLOYEE COMPENSATION	\$ 4,526,047.80	\$ 4,093,527.04	\$ 4,595,035.49
4201 01.040.00040.4201	PROFESSIONAL SERVICES	\$ 250,000.00	418,905.54	500,000.00
4210 01.040.00040.4210	SERVICES AND MAINTENANCE FEE	1,750.00	388.00	1,750.00
4230 01.040.00040.4230	PRINTING AND BINDING	1,000.00	851.03	1,500.00
4240 01.040.00040.4240	POSTAGE AND FREIGHT	30,000.00	29,107.00	34,000.00
4250 01.040.00040.4250	ADVERTISING	17,250.00	18,289.80	22,500.00
4270 01.040.00040.4270	DUES AND SUBSCRIPTIONS	1,000.00	890.00	1,000.00
4290 01.040.00040.4290	STATIONARY/OFFICE SUPPLIES	12,750.00	8,001.43	12,750.00
4390 01.040.00040.4390	MATERIALS/SUPPLIES (MISC)	600.00	206.45	600.00
4420 01.040.00040.4420	TRAVEL AND LODGING	2,500.00	-	2,500.00
4470 01.040.00040.4470	TRAINING AND CERTIFICATION	2,000.00	799.00	2,000.00
4480 01.040.00040.4480	SELF INSURANCE	110,000.00	2,516.50	110,000.00
4550 01.040.00000.4550	CAPITAL EXPENDITURES	-	-	-
6009 01.040.00040.6009	OPERATING TRANSFERS-WORKERS' COMP TRUST	3,743,432.00	2,000,000.00	3,300,718.00
6024 01.040.00040.6024	BANK FEES AND CHARGES	11,000.00	206.16	11,000.00
	TOTAL OPERATING EXPENDITURES	\$ 4,183,282.00	\$ 2,480,160.91	\$ 4,000,318.00
	BUREAU of ADMINISTRATION TOTAL	\$ 8,709,329.80	\$ 6,573,687.95	\$ 8,595,353.49

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
				2018	2018	2019
Account Number		Account Description		Operating Budget	(Through 9/30/2018)	Operating Budget
Department of Business Administration - #40						
Bureau of Human Resources - #41						
4010	01.040.00041.4010	STANDARD SALARY		\$ 206,877.76	144,541.76	208,918.11
4040	01.040.00041.4040	OTHER SALARY (MISC)		2,250.00	1,500.00	9,600.00
4070	01.040.00041.4070	LONGEVITY SALARY		7,211.25	-	3,877.35
4080	01.040.00041.4080	OVERTIME SALARY		-	-	-
TOTAL EMPLOYEE COMPENSATION				\$ 216,339.01	\$ 146,041.76	\$ 222,395.46
4201	01.040.00041.4201	PROFESSIONAL SERVICES		\$ 150,000.00	109,829.46	170,000.00
4290	01.040.00041.4290	STATIONARY/OFFICE SUPPLIES		25,000.00	70.00	1,000.00
4390	01.040.00041.4390	MATERIALS/SUPPLIES (MISC)		500.00	188.80	500.00
4420	01.040.00041.4420	TRAVEL AND LODGING		1,000.00	430.68	2,000.00
4470	01.040.00041.4470	TRAINING AND CERTIFICATION		3,000.00	1,829.02	5,000.00
4630	01.040.00041.4630	LIABILITY/CASUALTY INSURANCE		1,371,000.00	915,579.60	1,175,000.00
6006	01.040.00041.6006	PERSONNEL COST ADJUSTMENT		-	2,456.63	7,500.00
TOTAL OPERATING EXPENDITURES				\$ 1,550,500.00	\$ 1,030,384.19	\$ 1,361,000.00
BUREAU of HUMAN RESOURCES TOTAL				\$ 1,766,839.01	\$ 1,176,425.95	\$ 1,583,395.46

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number		Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Department of Business Administration - #40						
Bureau of Treasury - #43						
4010	01.040.00043.4010	STANDARD SALARY	\$ 114,376.08	80,042.48	118,157.12	
4040	01.040.00043.4040	OTHER SALARY (MISC)	0.00	1,500.00	-	
4070	01.040.00043.4070	LONGEVITY SALARY	2,825.02	-	3,654.86	
4080	01.040.00043.4080	OVERTIME SALARY	-	-	-	
		TOTAL EMPLOYEE COMPENSATION	\$ 117,201.10	\$ 81,542.48	\$ 121,811.98	
			-			
4201	01.040.00043.4201	PROFESSIONAL SERVICES	\$ 11,250.00	-	13,000.00	
4250	01.040.00043.4250	ADVERTISING	-	-	-	
4290	01.040.00043.4290	STATIONARY/OFFICE SUPPLIES	-	-	-	
4390	01.040.00043.4390	MATERIALS/SUPPLIES (MISC)	8,000.00	9,865.73	15,000.00	
4420	01.040.00043.4420	TRAVEL AND LODGING	-	-	-	
4550	01.040.00043.4550	CAPITAL EXPENDITURES	-	-	-	
6000	01.040.00043.6000	TAX AND MISC REFUNDS	1,000.00	3,073.30	5,000.00	
6001	01.040.00043.6001	TAX COLLECTION COMMITTEE EXPENSE	500.00	-	500.00	
		TOTAL OPERATING EXPENDITURES	\$ 20,750.00	\$ 12,939.03	\$ 33,500.00	
		BUREAU of TREASURY TOTAL	\$ 137,951.10	\$ 94,481.51	\$ 155,311.98	
		DEPARTMENT of BUSINESS ADMINISTRATION TOTAL	\$ 11,446,370.01	\$ 8,567,182.85	\$ 11,586,310.93	

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
				2018	2018	2019
Account Number	Account Description			Operating Budget	(Through 9/30/2018)	Operating Budget
Office of Economic & Community Development (OECD) - #50						
50.00000.4010	STANDARD SALARY			\$ 649,985.32	524,987.88	647,544.47
	OECD DEPARTMENT TOTAL (NON-ADDITION TO BUDGET)			\$ 649,985.32	\$ 524,987.88	\$ 647,544.47

CITY OF SCRANTON				
2019 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Dept. of Licenses, Inspections & Permits - #51				
Bureau of Licenses, Inspections & Permits - #51				
4010 01.051.00051.4010	STANDARD SALARY	\$ 745,863.37	503,481.77	786,660.00
4040 01.051.00051.4040	OTHER SALARY (MISC)	9,600.00	11,250.00	-
4070 01.051.00051.4070	LONGEVITY SALARY	17,805.01	-	19,826.55
4080 01.051.00051.4080	OVERTIME SALARY	3,000.00	709.67	3,000.00
4101 01.051.00051.4101	UNIFORM ALLOWANCE (AUTO)	12,500.00	9,092.71	12,500.00
	TOTAL EMPLOYEE COMPENSATION	\$ 788,968.38	\$ 524,534.15	\$ 821,986.55
4201 01.051.00051.4201	PROFESSIONAL SERVICES	\$ 40,000.00	46,610.00	50,000.00
4270 01.051.00051.4270	DUES AND SUBSCRIPTIONS	-	-	-
4290 01.051.00051.4290	STATIONARY/OFFICE SUPPLIES	500.00	129.30	500.00
4390 01.051.00051.4390	MATERIALS/SUPPLIES (MISC)	500.00	-	500.00
4420 01.051.00051.4420	TRAVEL AND LODGING	1,000.00	-	1,000.00
4470 01.051.00051.4470	TRAINING AND CERTIFICATION	1,000.00	209.00	1,000.00
4550 01.051.00051.4550	CAPITAL EXPENDITURES	23,000.00	5,725.91	20,000.00
4570 01.051.00051.4570	MAINTENANCE COMMUNICATION EQUIPMENT	500.00	-	500.00
4590 01.051.00051.4590	BUILDING DEMOLITION	65,000.00	10,252.00	150,000.00
	TOTAL OPERATING EXPENDITURES	131,500.00	62,926.21	223,500.00
	BUREAU of LICENSES, INSPECTIONS & PERMITS TOTAL	\$ 920,468.38	\$ 587,460.36	\$ 1,045,486.55

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Law Department - #60					
4010 01.060.00000.4010	STANDARD SALARY	\$ 215,612.47	145,773.97	274,112.47	
4040 01.060.00000.4040	OTHER SALARY (MISC)	750.00	-	-	
4070 01.060.00000.4070	LONGEVITY SALARY	-	-	-	
4080 01.060.00000.4080	OVERTIME SALARY	-	-	-	
	TOTAL EMPLOYEE COMPENSATION	\$ 216,362.47	\$ 145,773.97	\$ 274,112.47	
4201 01.060.00000.4201	PROFESSIONAL SERVICES	\$ 195,000.00	118,440.30	255,000.00	
4210 01.060.00000.4210	SERVICES AND MAINTENANCE FEE	2,000.00	-	2,000.00	
4270 01.060.00000.4270	DUES AND SUBSCRIPTIONS	3,950.00	902.00	3,000.00	
4290 01.060.00000.4290	STATIONARY/OFFICE SUPPLIES	500.00	265.00	500.00	
4390 01.060.00000.4390	MATERIALS/SUPPLIES (MISC)	500.00	-	500.00	
4420 01.060.00000.4420	TRAVEL AND LODGING	1,000.00	-	3,500.00	
4470 01.060.00000.4470	TRAINING AND CERTIFICATION	1,000.00	334.50	3,500.00	
4550 01.060.00000.4550	CAPITAL EXPENDITURES	3,250.00	-	-	
	TOTAL OPERATING EXPENDITURES	\$ 207,200.00	\$ 119,941.80	\$ 268,000.00	
	DEPARTMENT of LAW TOTAL	\$ 423,562.47	\$ 265,715.77	\$ 542,112.47	

CITY OF SCRANTON							
2019 OPERATING BUDGET							
BUDGETED EXPENDITURES							
GENERAL FUND							
Account Number		Account Description		2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Department of Public Works - #80							
Bureau of Administration - #80							
4010	01.080.00080.4010	STANDARD SALARY		\$ 164,741.61	123,855.74	169,193.54	
4040	01.080.00080.4040	OTHER SALARY (MISC)		1,500.00	1,500.00	-	
4070	01.080.00080.4070	LONGEVITY SALARY		7,711.68	-	7,856.86	
4080	01.080.00080.4080	OVERTIME SALARY		-	-	-	
4118	01.080.00080.4118	HEALTH INSURANCE - DPW UNION		2,529,641.97	1,361,937.91	1,773,915.00	
4120	01.080.00080.4120	LIFE/DISABILITY INSURANCE		-	-	-	
4130	01.080.00080.4130	I.A.M. PENSION		300,344.00	340,564.72	455,000.00	
4180	01.080.00080.4180	SOCIAL SECURITY		351,100.00	291,447.80	350,000.00	
		TOTAL EMPLOYEE COMPENSATION		3,355,039.26	2,119,306.17	2,755,965.40	
4201	01.080.00080.4201	PROFESSIONAL SERVICES		\$ 50,000.00	-	10,000.00	
4270	01.080.00080.4270	DUES AND SUBSCRIPTIONS		-	-	-	
4210	01.080.00080.4210	SERVICES & MAINTENANCE FEE		2,040.00	1,081.32	2,040.00	
4290	01.080.00080.4290	STATIONARY/OFFICE SUPPL		-	-	-	
4420	01.080.00080.4420	TRAVEL AND LODGING		500.00	-	500.00	
4550	01.080.00080.4550	CAPITAL EXPENDITURES		10,000.00	6,399.50	10,000.00	
4570	01.080.00080.4570	MAINT COMMUNICATION EQUIP		16,500.00	12,345.00	16,500.00	
4576	01.080.00080.4576	MAINTENANCE SUPER FUND SIGHT		13,000.00	6,935.80	13,000.00	
6007	01.080.00080.6007	FLOOD PROTECTION SYSTEM MAINTENANCE		50,000.00	25,215.63	1,973,900.00	
		TOTAL OPERATING EXPENDITURES		\$ 142,040.00	\$ 51,977.25	\$ 2,025,940.00	
		BUREAU of ADMINISTRATION TOTAL		\$ 3,497,079.26	\$ 2,171,283.42	\$ 4,781,905.40	

CITY OF SCRANTON							
2019 OPERATING BUDGET							
BUDGETED EXPENDITURES							
GENERAL FUND							

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number		Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Department of Public Works - #80						
Bureau of Refuse - #84						
4010	01.080.00084.4010	STANDARD SALARY	\$ 2,175,183.95	1,604,779.24	2,214,426.81	
4040	01.080.00084.4040	OTHER SALARY (MISC)	35,000.00	-	1,000.00	
4070	01.080.00084.4070	LONGEVITY SALARY	63,641.77	-	39,916.62	
4080	01.080.00084.4080	OVERTIME SALARY	150,000.00	138,325.65	160,000.00	
4101	01.080.00084.4101	UNIFORM ALLOWANCE	19,320.00	19,320.00	19,320.00	
		TOTAL EMPLOYEE COMPENSATION	\$ 2,443,145.72	\$ 1,762,424.89	\$ 2,434,663.42	
4260	01.080.00084.4260	RENTAL VEHICLES & EQUIP	-	-	-	
4330	01.080.00084.4330	MEDICAL, CHEM, LAB SUP	-	-	-	
4390	01.080.00084.4390	MATERIALS/SUPPL (MISC)	1,000.00	20.69	1,000.00	
4420	01.080.00084.4420	TRAVEL AND LODGING	1,000.00	-	1,000.00	
4490	01.080.00084.4490	LANDFILL	1,271,434.74	1,022,808.65	1,300,000.00	
4550	01.080.00084.4550	CAPITAL EXPENDITURES	180,000.00	195,000.00	225,000.00	
4555	01.080.00084.4555	RECYCLING	-	-	175,000.00	
		TOTAL OPERATING EXPENDITURES	\$ 1,453,434.74	\$ 1,217,829.34	\$ 1,702,000.00	
		BUREAU of REFUSE TOTAL	\$ 3,896,580.46	\$ 2,980,254.23	\$ 4,136,663.42	

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
	Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Department of Public Works - #80						
Bureau of Garages - #85						
4010	01.080.00085.4010	STANDARD SALARY	\$ 387,684.52	224,040.19	364,405.11	
4040	01.080.00085.4040	OTHER SALARY (MISC)	16,800.00	2,250.00	-	
4070	01.080.00085.4070	LONGEVITY SALARY	23,876.42	-	25,510.91	
4080	01.080.00085.4080	OVERTIME SALARY	31,201.30	20,011.58	25,000.00	
4101	01.080.00085.4101	UNIFORM ALLOWANCE	3,360.00	3,360.00	3,360.00	
		TOTAL EMPLOYEE COMPENSATION	\$ 462,902.24	\$ 249,661.77	\$ 418,276.02	
4201	01.080.00085.4201	PROFESSIONAL SERVICES	-	-	-	
4210	01.080.00085.4210	SERVICES AND MAINTENANCE FEE	-	-	-	
4220	01.080.00085.4220	CONTRACTED SERVICES	750.00	1,831.82	2,500.00	
4290	01.080.00085.4290	STATIONARY/OFFICE SUPPL	-	-	-	
4301	01.080.00085.4301	GAS, OIL, LUBRICANTS	295,000.00	323,309.36	340,000.00	
4310	01.080.00085.4310	EQUIP/VEHICLE REP/MAINT	325,000.00	267,753.58	325,000.00	
4360	01.080.00085.4360	SMALL TOOLS/SHOP SUPPL	6,500.00	4,904.57	6,500.00	
4390	01.080.00085.4390	MATERIALS/SUPPL (MISC)	49,500.00	29,862.09	49,500.00	
4401	01.080.00085.4401	TIRES	109,500.00	62,483.23	109,500.00	
4420	01.080.00085.4420	TRAVEL AND LODGING	500.00	-	500.00	
4550	01.080.00085.4550	CAPITAL EXPENDITURES	25,000.00	20,317.96	70,000.00	
4901	01.080.00085.4901	MAINTENANCE (PREVENTATIVE)	7,500.00	3,421.12	7,500.00	
		TOTAL OPERATING EXPENDITURES	\$ 819,250.00	\$ 713,903.73	\$ 911,000.00	
		BUREAU of GARAGES TOTAL	\$ 1,282,152.24	\$ 963,565.50	\$ 1,329,276.02	
		DEPARTMENT of PUBLIC WORKS TOTAL	\$ 12,618,634.87	\$ 8,208,287.05	\$ 14,596,500.66	

CITY OF SCRANTON							
2019 OPERATING BUDGET							
BUDGETED EXPENDITURES							
GENERAL FUND							

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description		2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Single Tax Office - #90					
4010	01.090.00000.4010	STANDARD SALARY	\$ 371,038.51	276,795.20	388,937.49
4040	01.090.00000.4040	OTHER SALARY (MISC)	4,500.00	-	-
4080	01.090.00000.4080	OVERTIME SALARY	3,750.00	3,131.90	3,750.00
4119	01.090.00000.4119	HEALTH INSURANCE - SINGLE TAX OFFICE	410,670.98	282,303.11	702,956.00
		TOTAL EMPLOYEE COMPENSATION	\$ 789,959.49	\$ 562,230.21	\$ 1,095,643.49
		TOTAL OPERATING EXPENDITURES	-	-	-
		SINGLE TAX OFFICE DEPARTMENT TOTAL	\$ 789,959.49	\$ 562,230.21	\$ 1,095,643.49

CITY OF SCRANTON				
2019 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
NON-DEPARTMENTAL EXPENDITURES - #401				
4299 01.401.10030.4299	ZONING BOARD	\$ 18,500.00	12,504.10	25,000.00
4299 01.401.10060.4299	EVERHART MUSEUM	29,000.00	28,999.98	29,000.00
4299 01.401.10075.4299	SCRANTON PLAN	60,000.00	10,000.00	150,000.00
4299 01.401.10080.4299	SCRANTON TOMORROW	75,000.00	75,000.00	225,000.00
4299 01.401.10110.4299	SHADE TREE COMMISSION	95,000.00	94,865.49	200,000.00
4299 01.401.10120.4299	ST. CATS AND DOGS	10,000.00	7,070.00	10,000.00
4299 01.401.10130.4299	MAYORS 504 TASK FORCE	1,000.00	-	1,000.00
4299 01.401.10140.4299	CIVIL SERVICE COMMISSION	25,000.00	13,560.46	25,000.00
4299 01.401.10150.4299	HUMAN RELATIONS COMMISSION	25,000.00	-	1,000.00
4299 01.401.10155.4299	LHVA TRAIL MAINTENANCE	21,000.00	70,500.00	24,000.00
	TOTAL BOARDS, COMMISSIONS, NON-PROFIT CONTRIBUTIONS	\$ 359,500.00	\$ 312,500.03	\$ 690,000.00
4299 01.401.15230.4299	TAN SERIES	\$ 12,750,000.00	-	\$ 12,750,000.00
4299 01.401.15240.4299	TAN SERIES INTEREST	494,850.00	-	\$ 465,375.00
4299 01.401.15310.4299	OPER TSF TO DEBT SVC-STREET LIGHTING	450,058.36	510,000	\$ 525,000.00
4299 01.401.15320.4299	OPER TSF TO DEBT SVC-GUARANTEED ENERGY SAVINGS	171,539.33	108,748	\$ 144,997.96
4299 01.401.15324.4299	OPER TSF TO DEBT SVC-FDM REVOLVING AID LOAN	100,000.00	100,000	\$ 100,000.00
4299 01.401.15328.4299	OPER TSF TO DEBT SVC-2016 REDEVELOPMENT AUTHORITY SERIES AA	2,061,662.50	193,331	\$ 883,725.00
4299 01.401.15331.4299	OPER TSF TO DEBT SVC-2019 GO BONDS BUILDING	-	-	\$ 1,000.00
4299 01.401.15332.4299	OPER TSF TO DEBT SVC-SERIES OF 2017 GENERAL OBLIGATION REFUNDING	3,234,419.34	-	\$ 3,231,000.00
4299 01.401.15333.4299	OPER TSF TO DEBT SVC-2018 TAXABLE SERIES	-	-	\$ 1,208,252.22
4299 01.401.15338.4299	OPER TSF TO DEBT SVC-2016 REDEVELOPMENT AUTHORITY SERIES A	2,420,500.00	745,250	\$ 3,614,000.00
4299 01.401.15339.4299	OPER TSF TO DEBT SVC-SERIES OF 2016 GENERAL OBLIGATION NOTES	1,877,000.00	821,000	\$ 1,875,250.00
	TOTAL PRINCIPAL AND INTEREST, LOANS	\$ 23,560,029.53	# \$ 2,478,329.72	\$ 24,798,600.18
4299 01.401.15329.4299	OPER TSF TO DEBT SVC-LEASE OF REFUSE PACKERS	218,147.96	218,147.96	\$ 218,147.96
4299 01.401.15330.4299	OPER TSF TO DEBT SVC-LEASE OF KME ENGINE #4	49,849.00	49,849.00	\$ 49,849.00
4299 01.401.15334.4299	OPER TSF TO DEBT SVC-LEASE OF JOHN DEERE WHEEL LOADER	25,851.02	25,851.02	\$ 25,851.02
4299 01.401.15335.4299	OPER TSF TO DEBT SVC-LEASE OF LAW ENFORCEMENT MGMT SYSTEM	219,557.60	-	\$ 219,557.60
4299 01.401.15336.4299	OPER TSF TO DEBT SVC-REPUBLIC LEASE OF TURNOUT GEAR	80,000.00	80,000.00	\$ -
4299 01.401.15337.4299	OPER TSF TO DEBT SVC-ESCO LEASE BUILDING	-	-	\$ 100,000.00
4299 01.401.15340.4299	OPER TSF TO DEBT SVC-LEASE FORD TRUCKS 2016	53,925.94	53,925.94	\$ 53,925.94
4299 01.401.15341.4299	OPER TSF TO DEBT SVC-PIB LOAN	244,968.88	-	\$ 244,811.66
4299 01.401.15342.4299	OPER TSF TO DEBT SVC-LEASE STREET LIGHTING	413,345.00	413,345.00	\$ 421,476.00
4299 01.401.15343.4299	2018 AERIAL PLATFORM TRUCK LEASE	102,156.57	102,156.57	\$ 102,156.57
	TOTAL LEASE PAYMENTS	\$ 1,407,801.97	\$ 943,275.49	\$ 1,435,775.75
	TOTAL INTEREST & DEBT SERVICE	\$ 24,967,831.50	\$ 3,421,605.21	\$ 26,234,375.93

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget		
			#			
4299 01.401.13090.4299	CONTINGENCY	705,799.10	-	\$ 596,904.82		
4299 01.401.13100.4299	OECD CONTINGENCY	45,000.00	22,515.68	150,000.00		
4299 01.401.16090.4299	UNENCUMBERED EXPENSES PRIOR YEAR OBLIGATIONS	550,000.00	334,585.65	375,000.00		
4299 01.401.16270.4299	COURT AWARDS	350,000.00	106,272.00	725,000.00		
4299 01.401.17020.4299	VETERAN'S ORGANIZATION	75,000.00	50,000.00	50,000.00		
4299 01.401.17040.4299	OPEB TRUST FUND	150,000.00	-	100,000.00		
4299 01.401.17060.4299	TRIPP PARK COMMUNITY CENTER	1,000.00	1,000.00	1,000.00		
4299 01.401.17080.4299	TARGETED EXPENSES - REVENUE PASS THROUGH ACCOUNT	300,000.00	250,000.00	275,000.00		
4299 01.401.17100.4299	GRANT MATCH	-	-	860,499.00		
	TOTAL UNPAID BILLS / COURT AWARDS / MISC	\$ 2,176,799.10	\$ 764,373.33	\$ 3,133,403.82		
	TOTAL NON-DEPARTMENTAL EXPENDITURES	\$ 27,504,130.60	\$ 4,498,478.57	\$ 30,057,779.75		
	TOTAL GENERAL FUND EXPENDITURES	\$ 107,674,797.79	\$ 56,607,593.78	\$ 110,058,706.66		

Office of the Mayor - #10				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
MAYOR	\$ 75,000.00	1	\$ 75,000.00	1
CONFIDENTIAL SECRETARY	\$ 39,085.00	1	\$ 39,085.00	1
PART-TIME SECRETARY				
ADMINISTRATIVE ASSISTANT	\$ 30,000.00	1	\$ 30,000.00	1
Department of the Mayor Total	\$ 144,085.00	3	\$ 144,085.00	3

Department of Public Safety - #11				
Bureau of Police - #71				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
SUPERINTENDENT OF POLICE	\$ 98,357.07	1	\$ 100,333.81	1
DEPARTMENT CAPTAIN	\$ 90,935.97	1	\$ 92,763.73	1
LIEUTENANT OF DETECTIVES	\$ 84,075.70	1	\$ 85,765.60	1
LIEUTENANT - ADMINISTRATIVE	\$ 80,841.94	1	\$ 82,466.90	1
LIEUTENANTS	\$ 242,525.82	3	\$ 247,400.62	3
SUPERVISOR - NARCOTICS DIVISION	\$ 77,732.94	1	\$ 79,295.30	1
FIRE MARSHALL	\$ 77,732.94	1	\$ 79,295.30	1
DETECTIVE SERGEANT	\$ 310,931.74	4	\$ 317,181.20	4
DETECTIVES	1,195,876.37	16	\$ 1,219,924.96	16
SERGEANTS-TRAINING	\$ 149,484.54	2	\$ 152,490.62	2
SERGEANTS	1,112,838.15	15	\$ 1,143,679.65	15
JUVENILE PATROLMEN	\$ 285,336.19	4	\$ 293,250.84	4
CORPORALS	\$ 567,869.84	8	\$ 575,449.00	8
REGULAR PATROLMEN	\$ 5,700,045.63	89	\$ 6,032,589.10	89
SCHOOL RESOURCE OFFICERS 1/2 FUNDED BY SSD (6 OFFICERS)				
Neighborhood Police Officers Paid by OECD (4 in 2019)	\$ (265,785.32)	(4)	\$ (274,853.00)	(4)
SUBTOTAL POLICE OFFICERS	9,808,799.51	143	10,227,033.63	143
ANIMAL CONTROL OFFICER (a)	58,920.34	2	59,113.30	2
SIT CLERKS	527,404.80	15	537,334.80	15
ADMINISTRATIVE ASSISTANT III- PAYROLL CLERK	38,057.14	1	38,773.68	1
GRANT MANAGER/SIT CLERK	48,243.03	1	49,151.22	1
SIT CLERK/CRIMINAL INFORMATION SPECIALIST	44,423.48	1	45,259.80	1
Subtotal - Administrative Support	658,128.45	18	670,519.50	18
Bureau of Police Total	\$ 10,525,848.30	163	\$ 10,956,666.44	163
* Scranton School District Reimburses the City for salaries & healthcare of 6 officers based on hours spent in the Schools.				
(a) Animal Control Officer is 1 full-time & 1 part-time				

Department of Public Safety - #11				
Bureau of Fire - #78				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CHIEF/EMERGENCY MANAGEMENT COORDINATOR	\$ 72,228.11	1	\$ 84,728.11	1
DEPUTY CHIEF	\$ 91,081.21	1	\$ 92,911.93	1
ASST. CHIEF	\$ 350,312.33	3	\$ 268,015.19	3
ADMIN. CAPTAIN	\$ 82,584.28	1	\$ 82,598.37	1
CAPTAIN	\$ 1,214,562.91	17	\$ 991,180.44	12
LIEUTENANT	\$ 1,167,848.95	17	\$ 1,111,901.13	14
CHAUFFEUR	\$ 2,620,173.92	36	\$ 2,443,738.75	32
FIRE INSPECTOR	\$ 168,419.38	2	\$ 171,804.61	2
FIRE PREVENTION OFFICER	\$ 84,209.69	1	\$ 85,902.30	1
PRIVATE	\$ 3,011,400.44	43	\$ 4,545,295.34	71
SAFER GRANT- PRIVATE	\$ 675,198.72	14	\$ -	-
MASTER MECHANIC	\$ 84,209.69	1	\$ 85,902.30	1
ADMINISTRATIVE ASSISTANT III- PAYROLL CLERK	\$ 38,056.98	1	\$ 38,773.68	1
Bureau of Fire Total	\$ 9,660,286.61	138	\$ 10,002,752.16	140

Office of City Clerk/City Council - #20				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CITY COUNCIL	\$ 62,500.00	5	\$ 62,500.00	5
CITY CLERK	\$ 50,220.00	1	\$ 50,220.00	1
EXECUTIVE ASSISTANT	\$ 38,056.99	1	\$ 38,773.47	1
CONFIDENTIAL SECRETARY	\$ 35,160.38	1	\$ 35,822.32	1
LEGISLATIVE LEGAL ADVISOR (a)	\$ 45,000.00	1	\$ 46,000.00	1
Department of City Clerk / City Council Total	\$ 230,937.37	9	\$ 233,315.79	9
(a) No health care benefits				

City Controller - #30				
Roseann Novembrino, City Controller				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CITY CONTROLLER	\$ 40,000.00	1	\$ 40,000.00	1
SOLICITOR TO CONTROLLER	\$ 25,092.00	1	\$ 25,092.00	1
CONFIDENTIAL SECRETARY/ASSISTANT	\$ 32,671.00	1	\$ 32,671.00	1
DEPUTY CONTROLLER/ADMIN.	\$ 39,237.00	1	\$ 39,737.00	1
ADMINISTRATIVE ASSISTANT IV -INTERNAL AUDITOR	\$ 39,059.58	1	\$ 39,794.90	1
PROGRAM MONITOR	\$ 34,077.00	1	\$ 34,077.00	1
PERFORMANCE AUDITOR	\$ 38,737.00	1	\$ 39,237.00	1
Department City Controller Total	\$ 248,873.58	7	\$ 250,608.90	7

Department of Business Administration - #40				
Bureau of Administration - #40				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
BUSINESS ADMINISTRATOR	\$ 90,000.00	1	\$ 95,000.00	1
FINANCE MANAGER/ASST. BUSINESS ADMINISTRATOR	\$ 55,900.00	1	\$ 60,900.00	1
SENIOR ACCOUNTANT	\$ 38,400.00	1	\$ 38,900.00	1
STAFF ACCOUNTANT	\$ 37,500.00	1	\$ 38,500.00	1
FINANCIAL ANALYST	\$ 38,057.00	1	\$ 48,961.77	1
ADMINISTRATIVE ASSISTANT III- ACCOUNTS PAYABLE CLERK	\$ 38,057.00	1	\$ 38,773.47	1
ADMINISTRATIVE ASSISTANT IV -PURCHASING CLERK	\$ 39,059.58	1	\$ 39,794.90	1
Bureau of Administration Total	336,973.58	7	360,830.14	7

Department of Business Administration - #40				
Bureau of Human Resources - #41				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
HUMAN RESOURCES DIRECTOR	\$ 53,500.00	1	\$ 56,000.00	1
ADMINISTRATIVE ASSISTANT I-BENEFITS COORDINATOR	\$ 35,160.38	1	\$ 35,822.32	1
ADMIN ASSISTANT III- PAYROLL CLERK	\$ 38,057.00	1	\$ 38,773.47	1
ADMINISTRATIVE ASSISTANT I-CLERICAL FLOATER	\$ 35,160.38	1	\$ 35,822.32	1
WORKER'S COMPENSATION PROGRAM MANAGER	\$ 45,000.00	1	\$ 42,500.00	1
Bureau of Human Resources Total	206,877.76	5	208,918.11	5

Department of Business Administration - #40				
Bureau of Information Technology - #42				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
DIRECTOR OF INFORMATION TECHNOLOGY	\$ 51,600.00	1	\$ 54,100.00	1
INFORMATION TECHNOLOGY MANAGER	\$ 41,150.00	1	\$ 42,900.00	1
NETWORK SYSTEMS ASSISTANT	\$ 42,000.00	1	\$ 43,750.00	1
Bureau of Information Technology Total	134,750.00	3	140,750.00	3

Department of Business Administration - #40				
Bureau of Treasury - #43				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CITY TREASURER	\$ 42,560.00	1	\$ 45,060.00	1
ADMINISTRATIVE ASSISTANT II- CASHIER	\$ 35,873.39	1	\$ 36,548.56	1
ADMINISTRATIVE ASSISTANT II - ASSISTANT CASHIER	\$ 35,873.39	1	\$ 36,548.56	1
Bureau of Treasury Total	\$ 114,306.78	3	\$ 118,157.12	3
Department of Business Administration Total	\$ 792,908.12	18	\$ 828,655.37	18

Office of Economic and Community Development - #50				
Bureau of Administration				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
EXECUTIVE DIRECTOR	\$ 52,152.00	1	\$ 52,152.00	1
DEPUTY DIRECTOR	\$ 43,000.00	1	\$ 44,500.00	1
DIRECTOR OF FINANCE & COMPLIANCE	\$ 43,000.00	1	\$ 43,000.00	1
DIRECTOR OF HOUSING/ADA COMPLIANCE	\$ 34,491.00	1	\$ 36,991.00	1
SOLICITOR	\$ 52,500.00	1	\$ 52,500.00	1
ADMINISTRATIVE ASSISTANT III-FINANCIAL ANALYST	\$ 39,057.00	1	\$ 38,773.47	1
HOUSING SPECIALIST	\$ 36,000.00	1	\$ 36,000.00	1
ADMINISTRATIVE ASSISTANT	\$ 28,000.00	1	\$ -	1
PUBLIC SERVICE/ESG SPECIALIST *	\$ 28,000.00	1	\$ 29,500.00	1
EQUAL OPPORTUNITY SPECIALIST *	\$ 28,000.00	1	\$ 43,000.00	-
Bureau of Administration Total	\$ 384,200.00	10	\$ 376,416.47	9
non-addition to budget	non-addition to budget		non-addition to budget	
*Construction/ADA Specialist & Economic Development/Relocation Specialist position became Housing Specialist				
*Economic Development/Relocation Specialist position became Administrative Assistant				
Office of Economic and Community Development - #50				
Bureau of Neighborhood Police - #515				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
NEIGHBORHOOD POLICE OFFICERS	\$ 265,785.32	4	\$ 271,128.00	4
Bureau of Neighborhood Police Total	\$ 265,785.32	4	\$ 271,128.00	4
OECD Department Total	\$ 649,985.32	14	\$ 647,544.47	13
non-addition to budget	non-addition to budget		non-addition to budget	

Dept. of Licenses, Inspections & Permits - #51				
Bureau of Licenses, Inspections & Permits - #51				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
DIRECTOR	\$ 46,760.00	1	\$ 46,760.00	1
Deputy Director	\$ 42,535.00	1	\$ 42,535.00	1
ADMINISTRATIVE ASSISTANT I- PERMIT CLERK	70,320.76	2	\$ 71,644.64	2
ELECTRICAL INSPECTOR	-	-	\$ -	-
PLUMBING INSPECTOR	-	-	\$ -	-
MECHANICAL INSPECTOR	39,839.49	1	\$ 40,589.59	1
WEIGHTS & MEASURES	38,920.34	1	\$ 39,653.13	1
ADMINISTRATIVE ASSISTANT I	35,160.38	1	\$ 35,822.32	1
ENFORCER OF LICENSES	38,920.34	1	\$ 39,653.13	1
ZONING OFFICER/CODE ENFORCER	37,500.00	1	\$ 37,500.00	1
CONFIDENTIAL SECRETARY ZONING/PLANNING	-	-	\$ 30,000.00	1
HOUSING INSPECTORS	194,601.70	5	\$ 198,265.65	5
HOUSING/HEALTH INSPECTOR	38,920.34	1	\$ 39,653.13	1
RENTAL REGISTRATION ASSISTANT/housing inspector	77,840.68	2	\$ 79,306.26	2
CITY PLANNER	45,624.00	1	\$ 45,624.00	1
HEALTH INSPECTOR	38,920.34	1	\$ 39,653.13	1
Bureau of Licenses, Inspections & Permits Total	\$ 745,863.37	19	\$ 786,660.00	20

Dept. of Licenses, Inspections & Permits - #51				
Bureau of Buildings - #82				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
MAINTENANCE	\$ 38,920.34	1	\$ 39,653.13	1
JANITOR	\$ 71,746.78	2	\$ 73,099.66	2
Bureau of Buildings Total	\$ 110,667.12	3	\$ 112,752.79	3
Department of Licenses, Inspections & Permits Total	\$ 856,530.49	22	\$ 899,412.79	23

Law Department - #60				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CITY SOLICITOR	\$ 64,500.00	1	\$ 69,500.00	1
FIRST ASSISTANT CITY SOLICITOR (full time)	\$ 44,500.00	-	\$ -	-
ASSISTANT CITY SOLICITOR	\$ -	1	\$ 35,000.00	1
ASSISTANT CITY SOLICITOR	\$ 35,000.00	1	\$ 35,000.00	1
PROJECT MANAGER	\$ -	-	\$ 35,000.00	1
TAX OFFICE SOLICITOR	\$ -	-	\$ 25,000.00	1
CONFIDENTIAL SECRETARY	\$ 32,615.38	1	\$ 34,615.38	1
CONFIDENTIAL SECRETARY	\$ 38,997.09	1	\$ 39,997.09	1
Department of Law Total	\$ 215,612.47	5	\$ 274,112.47	7

Department of Public Works - #80				
Bureau of Administration - #80				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
DIRECTOR	\$ 51,875.00	1	\$ 54,375.00	1
RECYCLING COORDINATOR	\$ 35,749.95	1	\$ 36,249.95	1
ADMINISTRATIVE ASSISTANT IV	\$ 39,059.67	1	\$ 39,794.90	1
ADMINISTRATIVE ASSISTANT III- PAYROLL CLERK	\$ 38,056.99	1	\$ 38,773.68	1
Bureau of Administration Total	\$ 164,741.61	4	\$ 169,193.54	4

Department of Public Works - #80				
Bureau of Engineering - #81				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
PAVE CUT INSPECTOR	\$ 38,920.39	1	\$ 39,653.13	1
FLOOD CONTROL PROJECT COORDINATOR	\$ 28,999.98	1	\$ 28,999.98	1
FLOOD CONTROL MAINTENANCE	\$ 44,878.08	1	\$ 45,695.66	1
Bureau of Engineering Total	\$ 112,798.45	3	\$ 114,348.77	3

Department of Public Works - #80				
Bureau of Highways - #83				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
HEAVY EQUIPMENT OPERATOR/CRAFTSMEN	\$ 92,430.62	2	\$ 94,173.58	2
HEAVY EQUIPMENT OPERATOR/LEADER	\$ 184,861.24	4	\$ 188,347.16	4
CHAUFFEUR	\$ 317,766.17	7	\$ 323,635.44	7
REPAIRMAN	\$ 313,488.84	7	\$ 319,184.78	7
DISPATCHER	\$ 44,878.08	1	\$ 45,695.66	1
MAINTENANCE/CRAFTSMAN LEADER	\$ 46,631.73	1	\$ 47,520.02	1
TREE TRIMMER	\$ 46,215.31	1	\$ 47,086.79	1
SWEEPER OPERATOR/CHAUFFEUR	\$ 45,829.47	1	\$ 46,685.38	1
STONE-BRICK LAYER MASON	\$ 45,629.79	1	\$ 46,477.68	1
TRAFFIC/SIGN MAINTENANCE	\$ 41,895.98	1	\$ 85,369.62	2
Bureau of Highways Total	\$ 1,179,627.24	26	\$ 1,244,176.11	27

Department of Public Works - #80				
Bureau of Refuse - #84				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
FOREMAN LEAD	\$ 46,587.30	1	\$ 47,087.30	1
FOREMAN ASSISTANT	\$ 44,000.00	1	\$ 45,000.00	1
OPERATOR LEADER	\$ 600,799.03	13	\$ 612,128.27	13
COLLECTOR LEADER	\$ 45,419.50	1	\$ 45,581.52	1
COLLECTOR	\$ 1,208,748.42	27	\$ 1,230,701.04	27
DISPATCHER	\$ 44,768.46	1	\$ 45,581.52	1
RECYCLING CHAUFFEUR	\$ 184,861.24	4	\$ 188,347.16	4
Bureau of Refuse Total	\$ 2,175,183.95	48	\$ 2,214,426.81	48

Department of Public Works - #80				
Bureau of Garages - #85				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
AUTO REPAIRMAN-LEADER	\$ 93,263.46	2	\$ 95,040.04	2
EQUIPMENT / VEHICLE MAINTENANCE	\$ 46,631.73	1	\$ 47,520.02	1
TIRE-EQUIPMENT REPAIR/HELPER	\$ 45,250.40	1	\$ 46,083.06	1
PARTS MANAGER/AUTO REPAIR/PA STATE VEHICLE INSPECTOR	\$ 45,925.98	1	\$ 46,785.74	1
MOTOR VEHICLE REPAIR	\$ 42,197.75	1	\$ 42,992.09	1
MECHANIC	\$ 42,197.75	1	\$ 42,992.09	1
MECHANIC DIESEL	\$ 42,197.75	1	\$ 42,992.09	1
Bureau of Garages Total	\$ 357,664.82	8	\$ 364,405.11	8
Department of Public Works Total	\$ 3,990,016.07	89	\$ 4,106,550.34	90
Department of Parks & Recreation - #100				
Bureau of Parks & Recreation - #100				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
PARKS AND RECREATION DIRECTOR	\$ 49,000.00	1	\$ 49,500.00	1
PARKS AND RECREATION ASSISTANT	\$ -	-	\$ 30,000.00	1
PROJECT ADMINISTRATOR	42,704.27	1	\$ 43,508.10	1
POOL OPERATORS / GROUNDSKEEPER	\$ 89,939.62	2	\$ 91,582.26	2
PARKS & RECREATION GROUNDSKEEPER	\$ 134,305.38	3	\$ 136,744.56	3
FACILITY MAINTENANCE / GROUNDSKEEPER	\$ 91,556.20	2	\$ 93,263.84	2
Department of Parks & Recreation Total	\$ 407,505.47	9	\$ 444,598.76	10

Single Tax Office - #90 (a)				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
COLLECTOR OF TAXES	\$ 26,650.00	1	\$ 26,650.00	1
CONTROLLER	29,500.00	1	29,500.00	1
LEAD CASHIER	20,566.31	1	20,566.31	1
CASHIER	19,476.12	1	19,476.12	1
CASHIER	19,476.12	1	19,476.12	1
LEAD AUDITOR	21,111.40	1	21,111.40	1
LEAD CLERK	19,476.12	1	19,476.12	1
LEAD AUDITOR	21,111.40	1	21,111.40	1
LEAD AUDITOR	21,111.40	1	21,111.40	1
AUDITOR (b) (Cashier)	38,952.24	1	38,952.24	1
CLERK	18,385.94	1	18,385.94	1
AUDITOR	19,476.12	1	19,476.12	1
AUDITOR	-	-	20,364.90	1
CLERK	18,385.94	1	19,464.80	1
CLERK	18,385.94	1	15,439.50	1
AUDITOR	19,476.12	1	18,877.78	1
CLERK	18,385.94	1	18,385.94	1
LEAD AUDITOR	21,111.40	1	21,111.40	1
Single Tax Office Department Total	\$ 371,038.51	17	\$ 388,937.49	18
(a) Salaries are paid 50% by the City and 50% by the Scranton School District.				
(b) Full Time City employee				

	2018		2019	
	Total	#	Total	#
Total City of Scranton Budgeted Payroll (a)	\$ 27,443,641.99	480	\$ 28,529,695.51	488
(a) Does not include OECD Payroll				

GRA Consulting

September 28, 2018

Mr. David Bulzoni
Business Administrator
City of Scranton
Department of Business Administration
City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: The City's Self-Insured Workers' Compensation Program
Reserve Analysis and Loss Forecast, Self-Insurance Renewal Application

Dear Mr. Bulzoni:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program as of August 31, 2018. This analysis has been conducted to assist the administration of the City with their financial reporting requirements as well as to assist the City in their self-insurance renewal application process with the PA Bureau of Workers' Compensation.

By using the loss experience of The City of Scranton in combination with the City's own development patterns weighted with those patterns as promulgated by the Pennsylvania Bureau of Workers' Compensation, GRA Consulting has estimated the total discounted outstanding liabilities as of August 31, 2018 to be \$17,610,046. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 3.00 percent.

This is a decrease of approximately \$4.75 Million over the prior report. The predominant impacts are twofold:

1. A quarter point increase in the discount rate to 3.0% resulted in an approximate \$400,000 savings when discounting the outstanding obligations of the City, and
2. The introduction of loss development factors based upon the experience of the current TPA PMA. These new tables and resultant development factors were weighted 50/50 with the City's pre-2012 factors prior to weighting that result with those of the Bureau of WC. The PMA factors were on average a 14.5% decrease on the reported loss side while the PMA paid factors, when compared to the City's pre-2012 factors were on average 45 to 70% lower.

Gary R. Abramson, Casualty Actuarial Services
500 Tennessee Avenue #1, Carolina Beach, NC 28428
Tel. (908) 642-3031

Mr. David Bulzoni
9/28/2018
Page 2 of 2

The goal is to phase out the older pre-2012 City development tables over the next two program years and rely exclusively on a PMA & Bureau weighted factor only.

Exhibit 5 details the level of anticipated, expected claims and claims expense expenditures for the 2019 calendar year, which total \$2,916,421. This is approximately \$400,000 less than the prior review. During this analysis we have increased the credit taken to arrive at a reasonable mid-point estimate, one that aligns very closely with the actual cash paid out in claims and related claims expenses over the previous three program years.

We had a prior history of overstating the expected payouts due to two issues: the selected paid loss development factors continued to overestimate the ultimate final costs, and, two, the Bureau's position that the starting point of this exhibit should be estimated ultimate losses by program year that reflect zero potential reinsurance recoveries for any year regardless of whether or not the providing carrier is viewed as qualified or not. This has been the Bureau's position since November of 2005. We believe we have taken appropriate steps to better estimate the expected outlay for the upcoming calendar year.

The Bureau's position continues to be that the estimated ultimate losses used in Exhibit 5 to project the upcoming cash payouts in 2019 be gross of any reinsurance recoverable. As an example of the impact of this position on projecting future outlays, we have estimated that this position results in an overstatement of the expected cash payout during 2019 for the Wilding claim alone of approximately \$105,000.

Finally, as outlined in Table A, combining the expected claims to be paid in 2019 with the other expenses of the Fund as provided by the Business Administration staff, the total expenditures to the Fund for 2019 are anticipated to be \$3,300,718.

Should you have any questions or need for further clarification, please do not hesitate to contact me at (908) 642 - 3031. One original of this report and one working copy for the reinsurance company have been provided. In the interest of complying with the PA WC Bureau's request for a timely review of the actuarial report, I have forwarded an original of this report to Lac Longson, Actuary, PA Bureau of Workers' Compensation in Harrisburg.

The invoice for our services has been included in a separate cover within this mailing.

Sincerely,



Gary R. Abramson, ACAS, MAAA
Consulting Actuary

GRA: Scranton_cover_September 28_2018.doc

GRA Consulting

September 28, 2018

Mr. Lac Longson
Actuary
Commonwealth of Pennsylvania
Department of Labor & Industry
Self-Insurance and Safety Division
Bureau of Workers' Compensation
1171 S. Cameron Street
Harrisburg, PA 17104-2501

**RE: The City of Scranton
Pennsylvania Self-Insurance Renewal Application Security Requirements**

Dear Mr. Longson:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program. This analysis has been conducted to assist the administration of the City with their annual renewal application establishing security requirements with the Pennsylvania Bureau of Workers' Compensation, Self-Insurance and Safety Division.

By using the loss experience of The City of Scranton in combination with their own historical development patterns, weighted with Pennsylvania statewide development patterns as promulgated by your Department, GRA Consulting has estimated the total discounted outstanding liabilities as of August 31, 2018 to be \$17,610,046. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 3.00 percent.

The attached Table A summarizes the projected expenditures for the City's self-insured workers' compensation program for the calendar year commencing January 1, 2019. It includes estimates of the cost of claims and claim expense payments (gross of any anticipated reinsurance recoveries), claims administrative costs, general self-insurance costs and the Trust Fund operating expenses. The development of the claims liability expenses is explained within the attached synopsis; otherwise the expenses associated with 2019 are as estimated by The City based upon expected outlays. As displayed within this table, the projected annual expenditures for calendar year 2019 for all categories combined is \$3,330,718.

If you should have any questions, please do not hesitate to call me at (908) 642-031.

Sincerely,



Gary R. Abramson, ACAS, MAAA
Consulting Actuary

Enclosures

GRA: DOC: SCRANTON_SMRY_8.31.18.DOC
cc: David Bulzoni, Business Administrator

***Projected Annual Expenditure Amounts
Calendar Year 2019***

<u>Category</u>	<u>Amount</u>
1. Claims Liability - midpoint of reasonableness range (Losses & ALAE payments, from Exhibit 5)	\$2,916,421
2. Claims Administrative Expense (PMA Claims Services annual services fee)	\$71,000
3. General Self-Insurance Expenses (Excess Reinsurance, Risk Mgmt Services, Loss Control & Special Assessments)	\$286,797
4. Trust Operating Expenses (Trust Fund fees including investment, accounting and actuarial services)	<u>\$56,500</u>
Total Projected Annual Expenditures (January 1, 2019 through December 31, 2019)	<u><u>\$3,330,718</u></u>

THE CITY OF SCRANTON
Workers' Compensation

SYNOPSIS OF PROCEDURES

The general thrust of this analysis has involved the estimation of expected ultimate losses by program year. This is accomplished in the following fashion.

For all historical injury periods, loss development factors as promulgated by the PA Bureau of Workers' Compensation, Self-Insurance and Safety Division, are combined with the historical development patterns of The City and then applied to the most recent evaluation of losses. This link ratio approach results in the estimation of ultimate losses by program year.

This methodology parallels that employed by the Bureau with the following exceptions:

- (1) Individual large losses, if necessary, are capped at their respective per occurrence retentions, subject to the reinsurance in-force being that as provided by a licensed carrier with a financial rating of at least B+,
- (2) Reported and paid loss development procedures are utilized prior to selecting ultimate loss estimates which are based upon a 60/40 weighted average of the two procedures, and
- (3) The estimated outstanding losses as of the date of evaluation are discounted to a present value basis utilizing the underlying payment pattern of the specific losses at a yield rate representative of the U.S. 30 year Treasury Bond in effect at the time of evaluation, as specified in the PA Bureau of Workers' Compensation, Self-Insurance and Safety Division Regulations, § 125.9 (f).

A detailed explanation of the exhibits and analysis follows.

EXHIBIT 1

Sheet 1 of this exhibit provides a summary of the loss experience under analysis. The experience is that as provided by the PMA Companies, evaluated as of August 31, 2018. PMA assumed all claims administrative responsibilities from PA Claims Services as of March 1, 2013. The data displayed is the collective experience of all previous TPA's as provided to and assimilated by PMA. A comparison of the losses for accident years up through and including 2017/18, will show that during the previous twelve months, the program paid out \$2,378,687 in claims and related expenses, while the reported losses increased by approximately \$1,632,000 over the same time frame. This implies a decrease in the outstanding losses for the City's self-insured program of approximately \$745,000 for policy years up through and including 2017/18. This data has not been audited for accuracy but has been reviewed for reasonableness and consistency.

Sheet 2 of this exhibit provides basic exposure information in the form of number of employees and payroll for the current, prospective and twenty-one historical program periods. Trends in the average annual wage per employee are displayed for each year and for the collective annual history overall.

EXHIBIT 2

Exhibit 2 presents the development of the estimated ultimate losses for the respective accident periods.

Three versions of Exhibit 2 are presented – ultimate losses projected on a fully unlimited basis; ultimate loss projections limited to each policy periods specific per occurrence retention; and ultimate losses limited by the specific per occurrence retention for those reinsurers who have been approved by the Bureau as responsive reinsurers for the time periods under review.

The estimated losses of Exhibit 2, Sheets 2 & 3 have been presented on a limited basis. Excess insurance purchased by the City effectively limits the impact of any large loss to a specific per occurrence retention underlying the program. Column (F) identifies the critical large loss amount by accident period. Any reported claim at or exceeding this limit would effectively be subject to a special capping procedure, thereby limiting its impact on the overall obligations of the City. As of this valuation, 62 individual claims meet this criterion. This is a decrease of three (3) critical value claim from the prior August 2017 analysis.

From Sheet 3 of this exhibit, when the large claims are removed from this capping procedure due to the unlikely recovery of any reinsurance recoverables due from Frontier Insurance for program years 1995 and 1996 and the General Reinsurance Pappy Plan of late 1990-93, the number of critical claims declines to 32 overall. When comparing sheets 2 & 3 of this exhibit, the impact of the unresponsive reinsurance can be estimated at approximately \$6.3 Million. It is Sheet 3 of this exhibit that forms the basis of the final analysis for this review.

The selected expected ultimate losses of this exhibit are based upon a 60/40 weighted average between the two loss development methodologies employed – reported & paid. Due to the influence of the City's previous and highly successful buyout program of older, open claims, it is anticipated that the estimate based solely upon paid losses would overstate the true underlying ultimate losses by program period. Therefore, while it is likely that the true ultimate losses by year will lie somewhere between the estimates developed by the two methodologies, it is expected that they will probably be more closely aligned with those of the reported methodology. This weighting methodology will need to be closely monitored on an ongoing basis to properly reflect the reserving and payment practices of the current TPA.

Development of the selected loss development factors utilized in the projection of ultimate losses for this exhibit is explained in greater detail in the commentary underlying Appendix A.

EXHIBIT 3

Exhibit 3 develops estimated ultimate losses for the current and prospective program years by extending loss-per-exposure estimates from prior accident periods. Various averages are displayed on this exhibit and the selected average attempts to balance responsiveness to current trends with the stability inherent in reviewing several years of experience. The selected average loss rate, per \$100 of payroll, is then multiplied by the estimated payroll base for the individual years, to yield estimated expected ultimate losses for the current, relatively immature March 1, 2018 - February 28, 2019 program year as well as the forecasted results for the March 1, 2019 – February 29, 2020 accident period. The selected loss rate for accident year 2018/19 was reduced by \$1.50 to \$12.00 overall, reflective of improving ultimate loss projections relative to increases in payroll.

Loss trends utilized in this exhibit are selections based upon insurance industry averages. The City's actual wage trend over the previous twenty years led to a half point increase in the wage trend underlying this exhibit. To the extent that the City's actual underlying trend are different, a slight bias in the estimate may result. However, the excess insurance purchased by the City should limit the impact of this risk, at least from a severity viewpoint.

EXHIBIT 4

Exhibit 4 develops the estimated outstanding losses as of August 31, 2018 on both a nominal basis and a discounted basis. The estimated outstanding losses as of August 31, 2018 are calculated by subtracting the paid losses as of that date from the estimate of the limited ultimate losses derived in Exhibit 2, Sheet 3 and Exhibit 3 for program year 2018/19. The discounted outstanding losses of this exhibit were produced through the application of discount factors derived based upon the prevailing 30 year U.S. Treasury Bond rate in effect as of August 31, 2018 and the underlying payment pattern for the specific losses. In addition, there are ten large claims in the 1986/87-1988/89 program years plus another fourteen in the 1999/2000 through 2004/2005 program years as identified in Appendix B with paid to date amounts in excess of their underlying retention. Since Exhibit 2 has already limited these claims to a maximum of the underlying retention, any excess payments have to be backed-out in order to eliminate a double credit for reinsurance recoverable.

The discounted outstanding loss as calculated within Exhibit 4 is approximately \$4.7 Million less than the prior analysis (an approximate 20% improvement). \$400,000 of this improvement is due to a quarter point increase in the selected interest rate used to discount the outstanding obligations. The remaining \$4.3M improvement is due to the loss development factors used to projected ultimate losses. The City's own pre 2012 factors are now weighted equally with the current TPA PMA exclusive factors for the previous four program years. The new weighted City factors are then averaged with those as promulgated by the PA Bureau of WC.

EXHIBIT 5

Exhibit 5 develops a projection of the calendar year 2019 expected claims payments, including allocated claims expenses, for each program year under review. This exhibit simply extrapolates from the unlimited ultimate losses as previously derived for the anticipated annual expenditures commencing January 1, 2019. The projection is based upon the underlying paid loss development patterns that underlie the development of the ultimate losses by program year (attached as Appendix A, Sheets 1-5). By converting the cumulative paid factors into a percentage of losses paid at a given maturity and then comparing that percentage twelve months later, a percentage of losses expected to be paid in the upcoming twelve months can be calculated. The subsequent multiplication across program years yields an anticipated annual expenditure for calendar year 2019 of \$3,645,526. This figure is inclusive of allocated claims expenses since they are contained within the underlying loss data as presented by PMA Companies for this analysis and is further presented gross of any anticipated reinsurance recoveries.

A review of prior years' payouts has shown that this method had generally overstated the projected claims payments for the upcoming twelve months by upwards of \$500,000 to \$1,000,000. The reasoning is two-fold: historical paid development factors are overly conservative based upon the impact of historical buyout programs and the ultimate losses used to project the upcoming payments do not reflect potential reinsurance recoveries.

During this review, we have somewhat smoothed the impact of the historical paid loss development overstatement, yet the results of the ultimate loss projections of Exhibit 2 still show the estimates based upon the paid loss projections only are 15% to 20% higher than those of the reported methodology. Also, the unlimited expected losses in this exhibit do not reflect any potential recoveries from responsible reinsurers. It is estimated that \$4.2M of reported losses on large claims is currently excess of the various underlying self-insured retentions and that \$3.2M of paid losses are currently excess of underlying self-insured retentions and are expected to be covered by those same responsible reinsurers.

Our mid-point of a reasonable range of estimates (\$2,916,421) results in a 20% decrease in expected costs. This selected mid-point is slightly in excess of the actual annual average payout of the past three program years of approximately \$2,889,000 and is approximately \$500,000 larger than the actual average annual payout for the latest two program years. Based upon the average monthly payments over the past thirty-six months (\$240,000), the \$2.916M midpoint appears to be reasonable and adequate.

APPENDIX A

Appendix A presents the analysis of historical loss development patterns utilizing a variety of curve fitting techniques and display's various goodness of fit tests. Pennsylvania WC Bureau development patterns for paid and reported losses and reported claim counts have been used to supplement the City's own experience. The City's own loss development patterns are displayed in the triangulations of Sheets 1-2 & 6-7, for paid and reported losses respectively. Newly added this year is the City's own development experience for the past four evaluations as administered by their current TPA PMA. These are displayed as Sheets 1A-2A and 6A-7A.

PMA has been the current TPA for five and one half years and continues to aggressively settle claims and establish reasonable reserves. As such, PMA's loss development patterns could be argued as the most responsive to current conditions. However, due the somewhat limited experience of PMA (four diagonals, three point to point observations), we are currently not willing to completely exclude the large experience of the older, mixed TPA triangles through August 31, 2011. Therefore, with this review we have weighted the City's older experience and that of PMA equally (50/50) prior to weighing that result 50/50 with the factors as promulgated by the Bureau for Public entities.

Various averages of the development factors are shown, as are those of the PA Bureau of WC. The selected development factors attempt to weigh the responsiveness of the City's own experience with the stability inherent in those of the collective insurance industry in the Commonwealth of Pennsylvania for Industry Grouping 16, Public Administration entities.

The methodology described above results in final selections of paid and reported loss development factors that have declined significantly over the prior valuation. They will need to be closely monitored going forward but the expectation is that they will reach a plateau and level out over the coming one or two evaluations.

APPENDIX B

Appendix B, Sheet 1 presents the derivation of the critical reported loss amounts necessary to identify current large losses that would require special treatment under various per claim retention programs.

These critical loss amounts were used during a review of individual large losses of the City as detailed through a PA Claims Statement of Losses valued as of August 31, 2018. As mentioned previously, currently sixty-two losses meet or exceed these critical amounts and are displayed individually by program year within Sheets 2 through 5 of this Appendix.

APPENDIX C

Appendix C presents the derivation of discount factors used in discounting each accident periods' outstanding liabilities. This exhibit utilizes a discount rate of 3.00% per annum in combination with the selected payment pattern underlying the paid losses. The discount rate is representative of the effective yield as of August 31, 2018 for 30 year US Treasury Bonds.

The City of Scranton
Summary of Historical Loss Experience
As of August 31, 2018

Accident Year	Maturity (months)	Number of Claims			Paid Losses (Net of Subro)	Reported Losses
		Closed	Open	Total		
03/01/79-02/28/80	474	5	1	6	\$1,289,463	\$1,302,549
03/01/80-02/28/81	462	6	1	7	\$1,796,032	\$1,856,328
03/01/81-02/28/82	450	6	1	7	\$2,190,958	\$2,271,537
03/01/82-02/28/83	438	8	1	9	\$742,891	\$818,375
03/01/83-02/28/84	426	2	1	3	\$1,648,772	\$1,755,155
03/01/84-02/28/85	414	5	0	5	\$134,535	\$134,535
03/01/85-02/28/86	402	4	0	4	\$1,307,618	\$1,307,618
03/01/86-02/28/87	390	1	2	3	\$1,430,110	\$1,539,292
03/01/87-02/28/88	378	8	1	9	\$2,435,028	\$2,468,444
03/01/88-02/28/89	366	4	5	9	\$3,169,758	\$3,802,964
03/01/89-02/28/90	354	11	0	11	\$2,001,581	\$2,001,581
03/01/90-02/28/91	342	18	2	20	\$2,801,020	\$3,155,306
03/01/91-02/28/92	330	114	4	118	\$5,607,310	\$5,873,789
03/01/92-02/28/93	318	203	0	203	\$5,270,593	\$5,270,597
03/01/93-02/28/94	306	178	3	181	\$7,692,800	\$7,921,544
03/01/94-02/28/95	294	194	0	194	\$1,815,475	\$1,815,480
03/01/95-02/28/96	282	274	3	277	\$6,893,909	\$6,948,088
03/01/96-02/28/97	270	221	2	223	\$2,593,909	\$2,762,008
03/01/97-02/28/98	258	235	1	236	\$2,272,356	\$2,295,059
03/01/98-02/28/99	246	221	0	221	\$2,236,204	\$2,236,210
03/01/99-02/28/00	234	233	0	233	\$2,026,959	\$2,026,957
03/01/00-02/28/01	222	194	0	194	\$1,751,046	\$1,751,054
03/01/01-02/28/02	210	191	0	191	\$2,505,028	\$2,505,031
03/01/02-02/28/03	198	206	3	209	\$5,648,116	\$5,710,713
03/01/03-02/28/04	186	150	2	152	\$1,577,411	\$1,971,874
03/01/04-02/28/05	174	149	1	150	\$3,088,823	\$3,107,366
03/01/05-02/28/06	162	156	0	156	\$1,576,622	\$1,576,847
03/01/06-02/28/07	150	169	1	170	\$1,813,348	\$1,963,092
03/01/07-02/28/08	138	174	1	175	\$1,519,104	\$1,541,242
03/01/08-02/28/09	126	141	2	143	\$1,527,949	\$1,544,242
03/01/09-02/28/10	114	158	0	158	\$1,543,323	\$1,543,319
03/01/10-02/28/11	102	157	1	158	\$1,785,149	\$1,892,199
03/01/11-02/28/12	90	145	3	148	\$1,998,033	\$2,104,717
03/01/12-02/28/13	78	133	2	135	\$1,311,910	\$1,364,188
03/01/13-02/28/14	66	125	0	125	\$1,207,373	\$1,207,370
03/01/14-02/28/15	54	112	3	115	\$1,744,124	\$1,766,154
03/01/15-02/28/16	42	118	5	123	\$2,667,540	\$4,723,087
03/01/16-02/28/17	30	90	9	99	\$1,671,436	\$2,049,794
03/01/17-02/28/18	18	96	6	102	\$702,094	\$842,814
03/01/18-02/28/19	6	40	24	64	\$140,605	\$206,332
Totals		4655	91	4746	\$93,136,315	\$98,934,851

Source: PMA Companies Loss Summary by Policy, Account # 0441006
Statement of Losses Valued as of August 31, 2018

Note: Claim counts include claims closed without payment, and notice & medical only claims

*The City of Scranton
Summary of Historical Exposure
As of August 31, 2018*

<u>Calendar Year</u>	<u>Number of Employees</u>	<u>Payroll</u>	<u>Average Pay Per EE</u>	<u>Annual Change in Avg Payroll</u>
1997	571	\$18,920,100	\$33,135	
1998	584	\$18,968,992	\$32,481	-2.0%
1999	485	\$19,098,399	\$39,378	21.2%
2000	516	\$22,307,900	\$43,232	9.8%
2001	605	\$24,626,474	\$40,705	-5.8%
2002	580	\$21,313,870	\$36,748	-9.7%
2003	543	\$16,463,598	\$30,320	-17.5%
2004	562	\$20,214,639	\$35,969	18.6%
2005	520	\$17,887,985	\$34,400	-4.4%
2006	529	\$17,807,008	\$33,662	-2.1%
2007	516	\$18,738,747	\$36,315	7.9%
2008	525	\$19,114,409	\$36,408	0.3%
2009	549	\$18,670,308	\$34,008	-6.6%
2010	555	\$24,921,069	\$44,903	32.0%
2011	480	\$24,992,200	\$52,067	16.0%
2012	468	\$22,633,282	\$48,362	-7.1%
2013	498	\$28,699,650	\$57,630	19.2%
2014	480	\$30,574,331	\$63,697	10.5%
2015	475	\$32,395,961	\$68,202	7.1%
2016	474	\$31,625,548	\$66,721	-2.2%
2017	477	\$33,189,637	\$69,580	4.3%
2018	495	\$33,820,483	\$68,324	-1.8%
Average Annual Trend in Average Payroll per Employee:				5.1%
2019 Budgetary	500	\$34,835,097	\$69,670	2.0%

Source: City of Scranton, Department of Business Administration

Estimation of Unlimited Ultimate Losses

(A) Accident Period	(B) Evaluation Date	(C) Maturity (months)	(D) Reported Losses at 8/31/18	(E) Paid Losses at 8/31/18	(F) Large Loss Critical Amount	(G) Number of Losses > Column(F)	(H) Reported on Large Losses	(I) Paid on Large Losses
03/01/86-02/28/87	8/31/2018	390.0	\$1,539,292	\$1,430,110	N/A	N/A	N/A	N/A
03/01/87-02/28/88	8/31/2018	378.0	\$2,466,444	\$2,435,028	N/A	N/A	N/A	N/A
03/01/88-02/28/89	8/31/2018	366.0	\$3,802,964	\$3,169,758	N/A	N/A	N/A	N/A
03/01/89-02/28/90	8/31/2018	354.0	\$2,001,581	\$2,001,581	N/A	N/A	N/A	N/A
03/01/90-02/28/91	8/31/2018	342.0	\$3,155,306	\$2,801,020	N/A	N/A	N/A	N/A
03/01/91-02/28/92	8/31/2018	330.0	\$5,873,789	\$5,607,310	N/A	N/A	N/A	N/A
03/01/92-02/28/93	8/31/2018	318.0	\$5,270,597	\$5,270,598	N/A	N/A	N/A	N/A
03/01/93-02/28/94	8/31/2018	306.0	\$7,921,544	\$7,692,800	N/A	N/A	N/A	N/A
03/01/94-02/28/95	8/31/2018	294.0	\$1,815,480	\$1,815,475	N/A	N/A	N/A	N/A
03/01/95-02/28/96	8/31/2018	282.0	\$6,948,088	\$6,893,909	N/A	N/A	N/A	N/A
03/01/96-02/28/97	8/31/2018	270.0	\$2,762,008	\$2,593,909	N/A	N/A	N/A	N/A
03/01/97-02/28/98	8/31/2018	258.0	\$2,295,059	\$2,272,356	N/A	N/A	N/A	N/A
03/01/98-02/28/99	8/31/2018	246.0	\$2,236,210	\$2,236,204	N/A	N/A	N/A	N/A
03/01/99-02/28/00	8/31/2018	234.0	\$2,026,957	\$2,026,959	N/A	N/A	N/A	N/A
03/01/00-02/28/01	8/31/2018	222.0	\$1,751,054	\$1,751,046	N/A	N/A	N/A	N/A
03/01/01-02/28/02	8/31/2018	210.0	\$2,505,031	\$2,505,028	N/A	N/A	N/A	N/A
03/01/02-02/28/03	8/31/2018	198.0	\$5,710,713	\$5,648,116	N/A	N/A	N/A	N/A
03/01/03-02/28/04	8/31/2018	186.0	\$1,971,874	\$1,577,411	N/A	N/A	N/A	N/A
03/01/04-02/28/05	8/31/2018	174.0	\$3,107,366	\$3,088,823	N/A	N/A	N/A	N/A
03/01/05-02/28/06	8/31/2018	162.0	\$1,576,847	\$1,576,622	N/A	N/A	N/A	N/A
03/01/06-02/28/07	8/31/2018	150.0	\$1,963,092	\$1,813,348	N/A	N/A	N/A	N/A
03/01/07-02/28/08	8/31/2018	138.0	\$1,541,242	\$1,519,104	N/A	N/A	N/A	N/A
03/01/08-02/28/09	8/31/2018	126.0	\$1,544,242	\$1,527,949	N/A	N/A	N/A	N/A
03/01/09-02/28/10	8/31/2018	114.0	\$1,543,319	\$1,543,323	N/A	N/A	N/A	N/A
03/01/10-02/28/11	8/31/2018	102.0	\$1,892,199	\$1,785,149	N/A	N/A	N/A	N/A
03/01/11-02/28/12	8/31/2018	90.0	\$2,104,717	\$1,998,033	N/A	N/A	N/A	N/A
03/01/12-02/28/13	8/31/2018	78.0	\$1,364,188	\$1,311,910	N/A	N/A	N/A	N/A
03/01/13-02/28/14	8/31/2018	66.0	\$1,207,370	\$1,207,373	N/A	N/A	N/A	N/A
03/01/14-02/28/15	8/31/2018	54.0	\$1,766,154	\$1,744,124	N/A	N/A	N/A	N/A
03/01/15-02/28/16	8/31/2018	42.0	\$4,723,087	\$2,687,540	N/A	N/A	N/A	N/A
03/01/16-02/28/17	8/31/2018	30.0	\$2,049,794	\$1,671,436	N/A	N/A	N/A	N/A
03/01/17-02/28/18	8/31/2018	18.0	\$842,814	\$702,084	N/A	N/A	N/A	N/A
03/01/18-02/28/19	8/31/2018	6.0	\$206,332	\$140,605	N/A	N/A	N/A	N/A
Totals			\$89,488,754	\$84,026,046				

(J) Accident Period	(K) Evaluation Date	(L) Maturity (months)	(M) Cumulative Rptd Loss Dev Factor	(N) Implied Limited Ultimate Losses	(O) Cumulative Paid Loss Dev Factor	(P) Implied Limited Ultimate Losses	(Q) Selected Estimated Ultimate Losses
03/01/86-02/28/87	8/31/2018	390.0	1.037	\$1,595,564	1.122	\$1,604,556	\$1,599,161
03/01/87-02/28/88	8/31/2018	378.0	1.038	\$2,562,039	1.126	\$2,742,748	\$2,634,323
03/01/88-02/28/89	8/31/2018	366.0	1.039	\$3,952,699	1.131	\$3,585,224	\$3,805,709
03/01/89-02/28/90	8/31/2018	354.0	1.041	\$2,083,519	1.136	\$2,274,019	\$2,155,719
03/01/90-02/28/91	8/31/2018	342.0	1.043	\$3,289,785	1.142	\$3,197,445	\$3,252,849
03/01/91-02/28/92	8/31/2018	330.0	1.044	\$6,134,796	1.147	\$6,433,644	\$6,254,335
03/01/92-02/28/93	8/31/2018	318.0	1.046	\$5,515,159	1.154	\$6,080,559	\$5,741,319
03/01/93-02/28/94	8/31/2018	306.0	1.049	\$8,306,008	1.161	\$8,927,605	\$8,554,047
03/01/94-02/28/95	8/31/2018	294.0	1.051	\$1,907,808	1.168	\$2,120,382	\$1,992,838
03/01/95-02/28/96	8/31/2018	282.0	1.053	\$7,319,070	1.176	\$8,107,649	\$7,634,501
03/01/96-02/28/97	8/31/2018	270.0	1.056	\$2,917,167	1.185	\$3,073,630	\$2,979,782
03/01/97-02/28/98	8/31/2018	258.0	1.059	\$2,431,019	1.195	\$2,714,797	\$2,644,530
03/01/98-02/28/99	8/31/2018	246.0	1.063	\$2,376,264	1.205	\$2,695,720	\$2,504,048
03/01/99-02/28/00	8/31/2018	234.0	1.066	\$2,161,544	1.217	\$2,467,732	\$2,284,019
03/01/00-02/28/01	8/31/2018	222.0	1.071	\$1,874,696	1.231	\$2,155,196	\$1,986,896
03/01/01-02/28/02	8/31/2018	210.0	1.075	\$2,693,776	1.246	\$3,120,731	\$2,864,558
03/01/02-02/28/03	8/31/2018	198.0	1.081	\$6,171,614	1.263	\$7,131,942	\$6,565,745
03/01/03-02/28/04	8/31/2018	186.0	1.087	\$2,143,080	1.282	\$2,022,200	\$2,094,728
03/01/04-02/28/05	8/31/2018	174.0	1.094	\$3,399,021	1.304	\$4,028,075	\$3,656,643
03/01/05-02/28/06	8/31/2018	162.0	1.102	\$1,737,735	1.330	\$2,086,426	\$1,881,211
03/01/06-02/28/07	8/31/2018	150.0	1.112	\$2,182,233	1.360	\$2,465,608	\$2,295,583
03/01/07-02/28/08	8/31/2018	138.0	1.123	\$1,730,895	1.395	\$2,119,600	\$1,886,377
03/01/08-02/28/09	8/31/2018	126.0	1.137	\$1,758,572	1.438	\$2,197,442	\$1,932,320
03/01/09-02/28/10	8/31/2018	114.0	1.154	\$1,780,720	1.491	\$2,300,655	\$1,986,634
03/01/10-02/28/11	8/31/2018	102.0	1.175	\$2,223,856	1.557	\$2,778,661	\$2,445,659
03/01/11-02/28/12	8/31/2018	90.0	1.203	\$2,531,453	1.641	\$3,279,245	\$2,830,570
03/01/12-02/28/13	8/31/2018	78.0	1.240	\$1,691,112	1.754	\$2,301,052	\$1,935,019
03/01/13-02/28/14	8/31/2018	66.0	1.291	\$1,559,070	1.911	\$2,307,152	\$1,858,303
03/01/14-02/28/15	8/31/2018	54.0	1.368	\$2,416,550	2.143	\$3,737,890	\$2,945,086
03/01/15-02/28/16	8/31/2018	42.0	1.494	\$7,055,939	2.519	\$6,720,129	\$6,921,616
03/01/16-02/28/17	8/31/2018	30.0	1.732	\$3,549,793	3.223	\$5,387,580	\$4,284,908
03/01/17-02/28/18	8/31/2018	18.0	2.329	\$1,863,014	4.964	\$3,484,860	\$2,571,782
03/01/18-02/28/19	8/31/2018	6.0	5.797	\$1,196,126	14.743	\$2,072,870	\$1,546,825
Totals				\$101,012,368		\$115,660,146	\$106,871,478

Columns (D) and (E): Exhibit 1, Sheet 1
Column(F): Not applicable
Columns (G) through (I): Not applicable
Column(M): Appendix A, Sheet 9 & 9A

Column(N): Col(D) x Col(M)
Column(O): Appendix A, Sheet 4 & 4A
Column(P): Col(E) x Col(O)
Column(Q): 60% of Col. (N) and 40% of Col. (P)

Estimation of Limited Ultimate Losses
Limited to Specific per Claim Retentions (Assumes Full Reinsurance Recoveries)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 8/31/18	Losses Paid at 8/31/18	Large Loss Critical Amount	Number of Losses > Column(F)	Reported on Large Losses	Paid on Large Losses
03/01/86-02/28/87	8/31/2018	390.0	\$1,539,292	\$1,430,110	\$242,779	3	\$1,539,291	\$1,430,110
03/01/87-02/28/88	8/31/2018	378.0	\$2,468,444	\$2,435,028	\$339,232	4	\$2,118,651	\$2,085,235
03/01/88-02/28/89	8/31/2018	366.0	\$3,802,954	\$3,169,758	\$290,489	5	\$2,722,285	\$2,089,082
03/01/89-02/28/90	8/31/2018	354.0	\$2,001,581	\$2,001,581	\$483,212	0	\$0	\$0
03/01/90-02/28/91	8/31/2018	342.0	\$3,155,306	\$2,801,020	\$482,280	2	\$1,479,151	\$1,124,868
03/01/91-02/28/92	8/31/2018	330.0	\$5,873,789	\$5,607,310	\$336,946	8	\$4,216,448	\$3,949,979
03/01/92-02/28/93	8/31/2018	318.0	\$5,270,597	\$5,270,593	\$384,341	4	\$2,496,780	\$2,496,780
03/01/93-02/28/94	8/31/2018	306.0	\$7,921,544	\$7,692,800	\$383,237	9	\$5,279,008	\$4,996,423
03/01/94-02/28/95	8/31/2018	294.0	\$1,815,480	\$1,815,475	\$334,371	0	\$0	\$0
03/01/95-02/28/96	8/31/2018	282.0	\$6,948,088	\$6,693,909	\$476,308	5	\$2,984,355	\$2,934,480
03/01/96-02/28/97	8/31/2018	270.0	\$2,762,008	\$2,593,909	\$474,500	2	\$1,238,456	\$1,079,603
03/01/97-02/28/98	8/31/2018	258.0	\$2,295,059	\$2,272,356	\$378,164	1	\$395,272	\$395,272
03/01/98-02/28/99	8/31/2018	246.0	\$2,236,210	\$2,236,204	\$376,740	0	\$0	\$0
03/01/99-02/28/00	8/31/2018	234.0	\$2,026,957	\$2,026,959	\$234,578	3	\$942,198	\$942,198
03/01/00-02/28/01	8/31/2018	222.0	\$1,751,054	\$1,751,046	\$233,672	3	\$1,008,418	\$1,008,418
03/01/01-02/28/02	8/31/2018	210.0	\$2,505,031	\$2,505,028	\$232,863	4	\$1,292,419	\$1,292,419
03/01/02-02/28/03	8/31/2018	198.0	\$5,710,713	\$5,648,116	\$277,838	4	\$1,895,941	\$1,877,604
03/01/03-02/28/04	8/31/2018	186.0	\$1,971,874	\$1,577,411	\$322,359	1	\$691,103	\$305,826
03/01/04-02/28/05	8/31/2018	174.0	\$3,107,366	\$3,088,823	\$368,084	2	\$915,257	\$915,257
03/01/05-02/28/06	8/31/2018	162.0	\$1,576,847	\$1,576,622	\$454,308	0	\$0	\$0
03/01/06-02/28/07	8/31/2018	150.0	\$1,963,092	\$1,813,348	\$675,728	1	\$712,869	\$563,124
03/01/07-02/28/08	8/31/2018	138.0	\$1,541,242	\$1,519,104	\$689,044	0	\$0	\$0
03/01/08-02/28/09	8/31/2018	126.0	\$1,544,242	\$1,527,949	\$681,167	0	\$0	\$0
03/01/09-02/28/10	8/31/2018	114.0	\$1,543,319	\$1,543,323	\$651,753	0	\$0	\$0
03/01/10-02/28/11	8/31/2018	102.0	\$1,892,199	\$1,785,149	\$683,019	0	\$0	\$0
03/01/11-02/28/12	8/31/2018	90.0	\$2,104,717	\$1,998,033	\$667,954	0	\$0	\$0
03/01/12-02/28/13	8/31/2018	78.0	\$1,354,188	\$1,311,910	\$648,898	0	\$0	\$0
03/01/13-02/28/14	8/31/2018	66.0	\$1,207,370	\$1,207,373	\$624,084	0	\$0	\$0
03/01/14-02/28/15	8/31/2018	54.0	\$1,768,154	\$1,744,124	\$590,559	0	\$0	\$0
03/01/15-02/28/16	8/31/2018	42.0	\$4,723,087	\$2,667,540	\$542,954	1	\$1,951,614	\$254,869
03/01/16-02/28/17	8/31/2018	30.0	\$2,049,794	\$1,671,436	\$470,635	0	\$0	\$0
03/01/17-02/28/18	8/31/2018	18.0	\$842,814	\$702,084	\$350,899	0	\$0	\$0
03/01/18-02/28/19	8/31/2018	6.0	\$206,332	\$140,605	\$142,282	0	\$0	\$0
Totals			\$89,488,754	\$84,026,046		62	\$33,879,517	\$29,741,546

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses	Selected Estimated Ultimate Losses
03/01/86-02/28/87	8/31/2018	390.0	1.037	\$855,001	1.122	\$855,000	\$855,000
03/01/87-02/28/88	8/31/2018	378.0	1.038	\$1,763,056	1.126	\$1,793,998	\$1,775,433
03/01/88-02/28/89	8/31/2018	366.0	1.039	\$2,823,229	1.131	\$2,922,322	\$2,862,860
03/01/89-02/28/90	8/31/2018	354.0	1.041	\$2,083,519	1.136	\$2,274,019	\$2,159,719
03/01/90-02/28/91	8/31/2018	342.0	1.043	\$2,747,592	1.142	\$2,913,378	\$2,813,906
03/01/91-02/28/92	8/31/2018	330.0	1.044	\$4,530,886	1.147	\$4,701,567	\$4,599,216
03/01/92-02/28/93	8/31/2018	318.0	1.046	\$4,502,525	1.154	\$4,800,082	\$4,621,548
03/01/93-02/28/94	8/31/2018	306.0	1.049	\$6,370,789	1.161	\$6,729,184	\$6,514,147
03/01/94-02/28/95	8/31/2018	294.0	1.051	\$1,907,808	1.168	\$2,120,382	\$1,932,638
03/01/95-02/28/96	8/31/2018	282.0	1.053	\$6,675,370	1.176	\$7,156,525	\$6,867,832
03/01/96-02/28/97	8/31/2018	270.0	1.056	\$2,609,139	1.185	\$2,794,364	\$2,683,229
03/01/97-02/28/98	8/31/2018	258.0	1.059	\$2,412,331	1.195	\$2,642,563	\$2,504,424
03/01/98-02/28/99	8/31/2018	246.0	1.063	\$2,376,264	1.205	\$2,695,720	\$2,504,046
03/01/99-02/28/00	8/31/2018	234.0	1.066	\$1,908,785	1.217	\$2,070,640	\$1,972,330
03/01/00-02/28/01	8/31/2018	222.0	1.071	\$1,545,074	1.231	\$1,664,030	\$1,592,656
03/01/01-02/28/02	8/31/2018	210.0	1.075	\$2,383,978	1.246	\$2,590,652	\$2,466,648
03/01/02-02/28/03	8/31/2018	198.0	1.081	\$5,322,655	1.263	\$5,861,069	\$5,578,021
03/01/03-02/28/04	8/31/2018	186.0	1.087	\$1,766,972	1.282	\$2,005,138	\$1,862,239
03/01/04-02/28/05	8/31/2018	174.0	1.094	\$3,197,859	1.304	\$3,634,506	\$3,372,518
03/01/05-02/28/06	8/31/2018	162.0	1.102	\$1,737,735	1.330	\$2,096,426	\$1,881,211
03/01/06-02/28/07	8/31/2018	150.0	1.112	\$2,139,786	1.360	\$2,449,929	\$2,263,643
03/01/07-02/28/08	8/31/2018	138.0	1.123	\$1,730,895	1.395	\$2,119,600	\$1,886,377
03/01/08-02/28/09	8/31/2018	126.0	1.137	\$1,755,572	1.438	\$2,197,442	\$1,932,320
03/01/09-02/28/10	8/31/2018	114.0	1.154	\$1,780,720	1.491	\$2,300,655	\$1,988,694
03/01/10-02/28/11	8/31/2018	102.0	1.175	\$2,223,858	1.557	\$2,778,661	\$2,445,658
03/01/11-02/28/12	8/31/2018	90.0	1.203	\$2,531,453	1.641	\$3,279,245	\$2,830,570
03/01/12-02/28/13	8/31/2018	78.0	1.240	\$1,691,112	1.754	\$2,301,052	\$1,935,088
03/01/13-02/28/14	8/31/2018	66.0	1.291	\$1,559,070	1.911	\$2,307,152	\$1,858,303
03/01/14-02/28/15	8/31/2018	54.0	1.368	\$2,416,550	2.143	\$3,737,890	\$2,945,086
03/01/15-02/28/16	8/31/2018	42.0	1.494	\$4,940,373	2.519	\$6,878,056	\$5,715,446
03/01/16-02/28/17	8/31/2018	30.0	1.732	\$3,549,793	3.223	\$5,387,580	\$4,284,908
03/01/17-02/28/18	8/31/2018	18.0	2.329	\$1,963,014	4.864	\$3,484,860	\$2,571,752
03/01/18-02/28/19	8/31/2018	6.0	5.787	\$1,198,128	14.743	\$2,072,870	\$1,546,825
Totals				\$88,996,790		\$105,716,565	\$85,684,699

Columns (D) and (E): Exhibit 1, Sheet 1

Column(F): Appendix B, Sheet 4 & 4A

Columns (G) through (I): PMA Large Loss Report by Policy Period

Column(M): Appendix A, Sheet 9 & 9A

Column(N): (Col(D)-Col(F))xCol(M) + Col(G) x Specific Retention

Column(O): Appendix A, Sheet 4 & 4A

Column(P): (Col(E)-Col(I))xCol(O) + Col(G) x Specific Retention

Column(Q): 60% of Col. (N) and 40% of Col. (P)

Estimation of Limited Ultimate Losses
Limited to Specific per Claim Retentions

(Assumes Allowable Reinsurance recoveries - all but Frontier 1994-1996 and General Re/Pappy Plan 1990-1993)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 8/31/18	Paid Losses at 8/31/18	Large Loss Critical Amount	Number of Losses > Column(F)	Reported on Large Losses	Paid on Large Losses
03/01/86-02/28/87	8/31/2018	390.0	\$1,539,292	\$1,430,110	\$242,779	3	\$1,539,291	\$1,430,110
03/01/87-02/28/88	8/31/2018	376.0	\$2,468,444	\$2,435,028	\$339,232	4	\$2,118,651	\$2,085,235
03/01/88-02/28/89	8/31/2018	366.0	\$3,802,964	\$3,169,758	\$290,489	5	\$2,722,285	\$2,089,082
03/01/89-02/28/90	8/31/2018	354.0	\$2,001,581	\$2,001,581	\$483,212	0	\$0	\$0
03/01/90-02/28/91	8/31/2018	342.0	\$3,155,308	\$2,801,020	\$482,280	0	\$0	\$0
03/01/91-02/28/92	8/31/2018	330.0	\$5,673,789	\$5,607,310	\$336,946	0	\$0	\$0
03/01/92-02/28/93	8/31/2018	318.0	\$5,270,597	\$5,270,593	\$384,341	0	\$0	\$0
03/01/93-02/28/94	8/31/2018	306.0	\$7,921,544	\$7,692,800	\$383,237	0	\$0	\$0
03/01/94-02/28/95	8/31/2018	294.0	\$1,815,480	\$1,815,475	\$334,371	0	\$0	\$0
03/01/95-02/28/96	8/31/2018	282.0	\$6,848,088	\$6,893,909	\$476,308	0	\$0	\$0
03/01/96-02/28/97	8/31/2018	270.0	\$2,762,008	\$2,693,909	\$474,500	0	\$0	\$0
03/01/97-02/28/98	8/31/2018	258.0	\$2,265,059	\$2,272,356	\$378,164	1	\$395,272	\$395,272
03/01/98-02/28/99	8/31/2018	246.0	\$2,236,210	\$2,236,204	\$376,740	0	\$0	\$0
03/01/99-02/28/00	8/31/2018	234.0	\$2,026,957	\$2,026,959	\$234,578	3	\$942,188	\$942,188
03/01/00-02/28/01	8/31/2018	222.0	\$1,751,054	\$1,751,046	\$233,672	3	\$1,008,418	\$1,008,418
03/01/01-02/28/02	8/31/2018	210.0	\$2,505,031	\$2,505,028	\$232,663	4	\$1,292,419	\$1,292,419
03/01/02-02/28/03	8/31/2018	198.0	\$5,710,713	\$5,648,116	\$277,838	4	\$1,895,841	\$1,877,604
03/01/03-02/28/04	8/31/2018	186.0	\$1,971,874	\$1,977,411	\$322,359	1	\$691,103	\$305,826
03/01/04-02/28/05	8/31/2018	174.0	\$3,107,366	\$3,088,823	\$366,094	2	\$915,257	\$915,257
03/01/05-02/28/06	8/31/2018	162.0	\$1,578,847	\$1,576,822	\$454,306	0	\$0	\$0
03/01/06-02/28/07	8/31/2018	150.0	\$1,063,092	\$1,813,346	\$675,726	1	\$712,869	\$563,124
03/01/07-02/28/08	8/31/2018	138.0	\$1,541,242	\$1,519,104	\$669,044	0	\$0	\$0
03/01/08-02/28/09	8/31/2018	126.0	\$1,544,242	\$1,527,949	\$661,167	0	\$0	\$0
03/01/09-02/28/10	8/31/2018	114.0	\$1,543,319	\$1,543,323	\$851,753	0	\$0	\$0
03/01/10-02/28/11	8/31/2018	102.0	\$1,892,199	\$1,785,149	\$683,019	0	\$0	\$0
03/01/11-02/28/12	8/31/2018	90.0	\$2,104,717	\$1,990,033	\$667,954	0	\$0	\$0
03/01/12-02/28/13	8/31/2018	78.0	\$1,364,188	\$1,311,910	\$648,896	0	\$0	\$0
03/01/13-02/28/14	8/31/2018	66.0	\$1,207,370	\$1,207,373	\$624,084	0	\$0	\$0
03/01/14-02/28/15	8/31/2018	54.0	\$1,766,154	\$1,744,124	\$590,559	0	\$0	\$0
03/01/15-02/28/16	8/31/2018	42.0	\$4,723,087	\$2,667,540	\$542,954	1	\$1,951,614	\$254,869
03/01/16-02/28/17	8/31/2018	30.0	\$2,049,794	\$1,671,436	\$470,635	0	\$0	\$0
03/01/17-02/28/18	8/31/2018	18.0	\$842,814	\$702,094	\$350,889	0	\$0	\$0
03/01/18-02/28/19	8/31/2018	6.0	\$206,332	\$140,605	\$142,282	0	\$0	\$0
Totals			\$89,488,754	\$84,026,046		32	\$16,185,319	\$13,159,415

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses	Selected Estimated Ultimate Losses
03/01/86-02/28/87	8/31/2018	390.0	1.037	\$855,001	1.122	\$855,000	\$855,000
03/01/87-02/28/88	8/31/2018	376.0	1.038	\$1,763,056	1.126	\$1,793,998	\$1,775,433
03/01/88-02/28/89	8/31/2018	366.0	1.039	\$2,823,229	1.131	\$2,922,322	\$2,862,866
03/01/89-02/28/90	8/31/2018	354.0	1.041	\$2,083,519	1.136	\$2,274,019	\$2,159,719
03/01/90-02/28/91	8/31/2018	342.0	1.043	\$3,289,785	1.142	\$3,197,445	\$3,252,849
03/01/91-02/28/92	8/31/2018	330.0	1.044	\$6,134,796	1.147	\$6,433,844	\$6,254,335
03/01/92-02/28/93	8/31/2018	318.0	1.046	\$5,515,159	1.154	\$6,080,559	\$5,741,319
03/01/93-02/28/94	8/31/2018	306.0	1.049	\$8,306,008	1.161	\$8,927,605	\$8,554,647
03/01/94-02/28/95	8/31/2018	294.0	1.051	\$1,807,808	1.168	\$2,120,382	\$1,992,838
03/01/95-02/28/96	8/31/2018	282.0	1.053	\$7,319,070	1.176	\$8,107,849	\$7,634,501
03/01/96-02/28/97	8/31/2018	270.0	1.056	\$2,917,167	1.185	\$3,073,630	\$2,979,752
03/01/97-02/28/98	8/31/2018	258.0	1.059	\$2,412,331	1.195	\$2,642,563	\$2,504,424
03/01/98-02/28/99	8/31/2018	246.0	1.063	\$2,376,264	1.205	\$2,695,720	\$2,504,046
03/01/99-02/28/00	8/31/2018	234.0	1.066	\$1,806,785	1.217	\$2,070,648	\$1,872,330
03/01/00-02/28/01	8/31/2018	222.0	1.071	\$1,545,074	1.231	\$1,664,030	\$1,592,658
03/01/01-02/28/02	8/31/2018	210.0	1.075	\$2,383,978	1.246	\$2,590,652	\$2,466,648
03/01/02-02/28/03	8/31/2018	198.0	1.081	\$5,322,655	1.263	\$5,961,069	\$5,578,021
03/01/03-02/28/04	8/31/2018	186.0	1.087	\$1,768,972	1.282	\$2,005,138	\$1,862,239
03/01/04-02/28/05	8/31/2018	174.0	1.094	\$3,197,659	1.304	\$3,634,506	\$3,372,518
03/01/05-02/28/06	8/31/2018	162.0	1.102	\$1,737,735	1.330	\$2,096,426	\$1,881,211
03/01/06-02/28/07	8/31/2018	150.0	1.112	\$2,139,786	1.360	\$2,449,929	\$2,263,843
03/01/07-02/28/08	8/31/2018	138.0	1.123	\$1,730,895	1.395	\$2,119,600	\$1,886,477
03/01/08-02/28/09	8/31/2018	126.0	1.137	\$1,755,572	1.438	\$2,197,442	\$1,932,320
03/01/09-02/28/10	8/31/2018	114.0	1.154	\$1,780,720	1.491	\$2,300,655	\$1,988,604
03/01/10-02/28/11	8/31/2018	102.0	1.175	\$2,223,658	1.557	\$2,770,661	\$2,445,858
03/01/11-02/28/12	8/31/2018	90.0	1.203	\$2,531,453	1.641	\$3,279,245	\$2,830,570
03/01/12-02/28/13	8/31/2018	78.0	1.240	\$1,691,112	1.754	\$2,301,052	\$1,935,088
03/01/13-02/28/14	8/31/2018	66.0	1.291	\$1,559,070	1.911	\$2,307,152	\$1,858,303
03/01/14-02/28/15	8/31/2018	54.0	1.368	\$2,416,550	2.143	\$3,737,890	\$2,945,086
03/01/15-02/28/16	8/31/2018	42.0	1.494	\$4,940,373	2.519	\$6,878,056	\$5,715,446
03/01/16-02/28/17	8/31/2018	30.0	1.732	\$3,549,793	3.223	\$5,387,580	\$4,284,908
03/01/17-02/28/18	8/31/2018	18.0	2.329	\$1,963,014	4.964	\$3,484,860	\$2,571,752
03/01/18-02/28/19	8/31/2018	6.0	5.797	\$1,196,128	14.743	\$2,072,870	\$1,548,825
Totals				\$95,042,373		\$112,441,897	\$102,002,222

Columns (D) and (E): Exhibit 1, Sheet 1

Column(F): Appendix B, Sheet 1

Columns (G) through (I): PMA Large Loss Report by Policy Period

Column(M): Appendix A, Sheet 9 & 9A

Column(N): (Col(D)-Col(H))xCol(M) + Col(G) x Specific Retention

Column(O): Appendix A, Sheet 4 & 4A

Column(P): (Col(E)-Col(I))xCol(O) + Col(G) x Specific Retention

Column(Q): 60% of Col. (N) and 40% Col. (P)

Estimation of Limited Ultimate Losses

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Limited Ultimate Losses	Loss Trend Factor	Trended Limited Ultimate Losses	Payroll	Payroll Trend Factor	Adjusted Payroll	Loss Rate per \$100 of Payroll
03/01/08-02/28/09	\$1,932,320	1.791	\$3,460,491	\$19,040,392	1.553	\$29,569,147	\$11.70
03/01/09-02/28/10	\$1,988,694	1.689	\$3,359,857	\$19,712,101	1.486	\$29,294,058	\$11.47
03/01/10-02/28/11	\$2,445,658	1.594	\$3,898,007	\$24,932,924	1.422	\$35,457,126	\$10.99
03/01/11-02/28/12	\$2,830,570	1.504	\$4,256,130	\$24,599,047	1.361	\$33,475,904	\$12.71
03/01/12-02/28/13	\$1,935,088	1.419	\$2,744,959	\$23,644,343	1.302	\$30,791,086	\$8.91
03/01/13-02/28/14	\$1,858,303	1.338	\$2,486,829	\$29,012,097	1.246	\$36,154,351	\$6.88
03/01/14-02/28/15	\$2,945,086	1.262	\$3,718,103	\$30,877,936	1.193	\$36,822,513	\$10.10
03/01/15-02/28/16	\$5,715,446	1.191	\$6,807,188	\$32,267,559	1.141	\$36,822,645	\$18.49
03/01/16-02/28/17	\$4,284,908	1.124	\$4,814,523	\$31,886,230	1.092	\$34,820,560	\$13.83
03/01/17-02/28/18	\$2,571,752	1.060	\$2,726,058	\$33,294,778	1.045	\$34,793,043	\$7.84
Total	\$28,507,825		\$38,272,145			\$338,000,433	\$11.32
Excl HI & Lo			\$28,978,129			\$265,023,437	\$10.93
Avg Last 5 Yrs			\$20,552,699			\$179,413,112	\$11.46
Avg Last 3 Yrs			\$14,347,768			\$106,436,248	\$13.48

(I)	(J)	(K)	(L)
Accident Period	Selected Loss Rate	Payroll	Forecast Limited Ultimate Losses
03/01/18-02/28/19	\$12.00	\$33,463,880	\$4,015,666
03/01/19-02/28/20	\$12.17	\$35,038,302	\$4,264,949

Column(B): Exhibit 2, Sheet 3

Column(C): Based upon a selected annual loss trend of 6.0%

Column(D): Column (B) x Column (C)

Column(E): Exhibit 1, Sheet 2

Column(F): Based upon a selected annual wage trend of 4.5%

Column(G): Column (E) x Column (F)

Column(H): Column (D) / Column (G)

Column(J): Selected average of Column (H), trended for 2019-20

Column(K): Exhibit 1, Sheet 2

Column(L): Column (J) x Column (K)

**The City of Scranton
Worker's Compensation**

Exhibit 4

Projection of Discounted Outstanding Losses

(A) <u>Accident Year</u>	(B) <u>Limited Ultimate Losses</u>	(C) <u>Paid Losses</u>	(D) <u>Outstanding Losses</u>	(E) <u>Discount Factor</u>	(F) <u>Discounted Outstanding Losses</u>
<i>As of August 31, 2018;</i>					
<i>Pre - 1986</i>	\$9,446,097	\$9,110,269	\$335,828	1.000	\$335,828
<i>1986/87</i>	\$855,000	\$850,000	\$5,001	1.000	\$5,001
<i>1987/88</i>	\$1,775,433	\$1,749,793	\$25,640	0.985	\$25,266
<i>1988/89</i>	\$2,862,866	\$2,687,344	\$175,522	0.971	\$170,410
<i>1989/90</i>	\$2,159,719	\$2,001,581	\$158,138	0.964	\$152,376
<i>1990/91</i>	\$3,252,849	\$2,801,020	\$451,829	0.956	\$432,062
<i>1991/92</i>	\$6,254,335	\$5,607,310	\$647,025	0.943	\$609,988
<i>1992/93</i>	\$5,741,319	\$5,270,593	\$470,726	0.929	\$437,428
<i>1993/94</i>	\$8,554,647	\$7,692,800	\$861,847	0.915	\$788,834
<i>1994/95</i>	\$1,992,838	\$1,815,475	\$177,363	0.901	\$159,858
<i>1995/96</i>	\$7,634,501	\$6,893,909	\$740,592	0.887	\$657,124
<i>1996/97</i>	\$2,979,752	\$2,593,909	\$385,843	0.873	\$336,951
<i>1997/98</i>	\$2,504,424	\$2,272,356	\$232,068	0.859	\$199,432
<i>1998/99</i>	\$2,504,046	\$2,236,204	\$267,842	0.845	\$226,447
<i>1999/00</i>	\$1,972,330	\$1,832,579	\$139,751	0.832	\$116,228
<i>2000/01</i>	\$1,592,656	\$1,481,672	\$110,984	0.818	\$90,775
<i>2001/02</i>	\$2,466,648	\$2,303,711	\$162,937	0.804	\$131,052
<i>2002/03</i>	\$5,578,021	\$4,970,512	\$607,509	0.791	\$480,366
<i>2003/04</i>	\$1,862,239	\$1,571,585	\$290,654	0.780	\$226,728
<i>2004/05</i>	\$3,372,518	\$2,973,566	\$398,952	0.769	\$306,957
<i>2005/06</i>	\$1,881,211	\$1,576,622	\$304,589	0.762	\$232,090
<i>2006/07</i>	\$2,263,843	\$1,813,348	\$450,495	0.755	\$339,918
<i>2007/08</i>	\$1,886,377	\$1,519,104	\$367,273	0.750	\$275,413
<i>2008/09</i>	\$1,932,320	\$1,527,949	\$404,371	0.745	\$301,349
<i>2009/10</i>	\$1,988,694	\$1,543,323	\$445,371	0.744	\$331,257
<i>2010/11</i>	\$2,445,658	\$1,785,149	\$660,509	0.742	\$490,315
<i>2011/12</i>	\$2,830,570	\$1,998,033	\$832,537	0.743	\$618,558
<i>2012/13</i>	\$1,935,088	\$1,311,910	\$623,178	0.745	\$464,547
<i>2013/14</i>	\$1,858,303	\$1,207,373	\$650,930	0.749	\$487,833
<i>2014/15</i>	\$2,945,086	\$1,744,124	\$1,200,962	0.755	\$906,707
<i>2015/16</i>	\$5,715,446	\$2,667,540	\$3,047,906	0.762	\$2,322,934
<i>2016/17</i>	\$4,284,908	\$1,671,436	\$2,613,472	0.771	\$2,014,445
<i>2017/18</i>	\$2,571,752	\$702,094	\$1,869,658	0.781	\$1,459,525
<i>2018/19</i>	<u>\$2,007,833</u>	<u>\$140,605</u>	<u>\$1,867,228</u>	0.791	<u>\$1,476,045</u>
Totals	\$111,909,327	\$89,924,798	\$21,984,529		\$17,610,046

Column (B): Exhibit 2, Sheet 3, or Exhibit 1, Sheet 1 for Pre-1986

Accident Year 2018/19 from Loss Forecast, Exhibit 3, as of 6 months

Column (C): Exhibit 1, Sheet 1, less claim payments in excess of SIR

(applicable to program years 1986 - 1988, 1999 - 2004)

Column (D): Column (B) - Column (C)

Column (E): Appendix C

Column (F): Column (D) x Column (E)

Projection of Annual Expenditure Amounts
Calendar Year 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Year	Unlimited Ultimate Losses	Accident Year Age (in months) at 12/31/18	Ultimate Paid Loss Development Factor	Percentage Paid As of at 12/31/18	Percentage of Losses Paid in Upcoming 12 Months	Anticipated Losses & ALAE Paid in Upcoming 12 Months
Pre - 1986	\$9,446,097	442	1.025	97.6%	1.0%	\$94,461
1986/87	\$1,599,161	394	1.051	95.1%	1.0%	\$15,992
1987/88	\$2,634,323	382	1.063	94.0%	1.1%	\$28,278
1988/89	\$3,805,709	370	1.075	93.0%	1.0%	\$39,940
1989/90	\$2,159,719	358	1.087	92.0%	1.0%	\$22,166
1990/91	\$3,252,849	346	1.099	91.0%	1.0%	\$32,656
1991/92	\$6,254,335	334	1.111	90.0%	1.0%	\$61,432
1992/93	\$5,741,319	322	1.123	89.0%	1.0%	\$55,188
1993/94	\$8,554,647	310	1.135	88.1%	0.9%	\$80,493
1994/95	\$1,992,838	298	1.148	87.1%	1.0%	\$19,872
1995/96	\$7,634,501	286	1.161	86.1%	1.0%	\$74,423
1996/97	\$2,979,752	274	1.174	85.2%	1.0%	\$28,404
1997/98	\$2,544,530	262	1.187	84.2%	0.9%	\$23,724
1998/99	\$2,504,046	250	1.200	83.3%	0.9%	\$22,841
1999/00	\$2,284,019	238	1.213	82.4%	0.9%	\$20,388
2000/01	\$1,986,896	226	1.226	81.6%	0.9%	\$17,179
2001/02	\$2,864,558	214	1.241	80.6%	0.9%	\$27,129
2002/03	\$6,555,745	202	1.257	79.6%	1.0%	\$68,273
2003/04	\$2,094,728	190	1.275	78.4%	1.2%	\$24,091
2004/05	\$3,650,643	178	1.296	77.1%	1.3%	\$46,580
2005/06	\$1,881,211	166	1.321	75.7%	1.4%	\$26,765
2006/07	\$2,295,583	154	1.349	74.1%	1.6%	\$36,622
2007/08	\$1,886,377	142	1.383	72.3%	1.8%	\$33,950
2008/09	\$1,932,320	130	1.423	70.3%	2.0%	\$39,500
2009/10	\$1,988,694	118	1.472	67.9%	2.3%	\$46,520
2010/11	\$2,445,658	106	1.533	65.2%	2.7%	\$66,016
2011/12	\$2,830,570	94	1.610	62.1%	3.1%	\$88,990
2012/13	\$1,935,088	82	1.712	58.4%	3.7%	\$71,597
2013/14	\$1,858,303	70	1.852	54.0%	4.4%	\$81,859
2014/15	\$2,945,086	58	2.054	48.7%	5.3%	\$156,441
2015/16	\$6,921,615	46	2.371	42.2%	6.5%	\$449,507
2016/17	\$4,284,908	34	2.930	34.1%	8.1%	\$344,938
2017/18	\$4,015,666	22	4.158	24.0%	10.1%	\$404,982
2018/19	\$4,015,666	10	8.709	11.5%	12.6%	\$504,603
2019/00	\$4,264,949	0	N/A	0.0%	11.5%	\$489,728
Totals	\$126,042,107					\$3,645,526

Column (B): Exhibit 2, Sheet 1 or Exhibit 3 for Accident Years 2018 and 2019

Column (D): Appendix A, Sheet 5, runoff of 1998/99 and prior

Column (E): 1/Column (D)

Column (F): Annual Differences in Column (E)

Pre-1986 based upon factors from Appendix A, Sheet 3, 4 year prior

Column (G): Column (B) x Column (F)

\$2,187,316	@ 60%
\$2,916,421	Midpoint

Analysis Based Upon Paid Loss and Expenses
As of December 31, 2011

	Point-to-Point Paid Loss Development Factors																								Tail
	12:24	24:38	38:48	48:60	60:72	72:84	84:96	96:108	108:120	120:132	132:144	144:156	156:168	168:180	180:192	192:204	204:216	216:228	228:240	240:252	252:264	264:276	276:288	288:300	
Str. Average	2.232	1.450	1.276	1.285	1.151	1.123	1.088	1.074	1.059	1.033	1.069	1.045	1.034	1.052	1.028	1.030	1.035	1.021	1.021	1.025	1.022	1.022	1.024	1.024	
Wgt'd Avg.	2.184	1.459	1.250	1.287	1.144	1.145	1.088	1.086	1.062	1.038	1.057	1.042	1.033	1.045	1.027	1.029	1.032	1.017	1.019	1.022	1.021	1.021	1.023	1.024	
Avg (x-high & low)	2.202	1.442	1.249	1.257	1.134	1.116	1.088	1.072	1.055	1.038	1.062	1.039	1.034	1.041	1.030	1.032	1.031	1.021	1.022	1.022	1.022	1.025			
Selected	2.215	1.460	1.200	1.285	1.145	1.135	1.088	1.078	1.059	1.038	1.082	1.042	1.034	1.048	1.028	1.030	1.033	1.020	1.020	1.022	1.022	1.022	1.023	1.024	1.100
Cumulative/No tail	12.418	5.806	3.887	2.222	2.547	2.225	1.960	1.805	1.874	1.681	1.523	1.434	1.376	1.331	1.273	1.238	1.202	1.183	1.141	1.118	1.094	1.071	1.048	1.024	
Cumulative/tail	13.260	6.027	4.158	3.484	2.738	2.391	2.107	1.940	1.800	1.699	1.537	1.542	1.480	1.431	1.358	1.331	1.282	1.251	1.228	1.202	1.178	1.151	1.126	1.101	1.075
PMA Fitted	3.511	1.818	1.424	1.286	1.188	1.138	1.108	1.087	1.072	1.080	1.052	1.045	1.040	1.035	1.031	1.028	1.026	1.023	1.021	1.020					
50/50 Internal LDFs	8.430	3.922	2.790	2.395	1.982	1.795	1.607	1.513	1.439	1.380	1.345	1.293	1.260	1.233	1.200	1.179	1.159	1.137	1.124	1.111					
2008 Bureau Factors	6.778	3.415	2.701	2.320	2.070	1.906	1.789	1.685	1.607	1.540	1.476	1.418	1.384	1.316	1.270	1.228	1.190	1.157							
Cumulative for Industry Grouping 16: Public Administration																									
50/50 Weighting (Bureau/Scranton Internal)	7.804	3.699	2.746	2.343	2.018	1.828	1.688	1.596	1.521	1.480	1.410	1.358	1.312	1.274	1.235	1.204	1.174								

Analysis Based Upon Paid Loss and Expenses
As of August 31, 2018

ACCIDENT YEAR	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months
3/1/97 - 2/28/98																			\$2,264,932	\$2,265,003
3/1/98 - 2/28/99																				
3/1/99 - 2/28/00																		\$2,154,794	\$2,216,524	\$2,235,751
3/1/00 - 2/28/01																	\$2,025,959	\$2,026,959	\$2,026,959	\$2,026,959
3/1/01 - 2/28/02																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/02 - 2/28/03																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/03 - 2/28/04																	\$5,609,932	\$5,627,769	\$5,638,984	\$5,646,116
3/1/04 - 2/28/05																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/05 - 2/28/06																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/06 - 2/28/07																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116
3/1/07 - 2/28/08																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/08 - 2/28/09																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/09 - 2/28/10																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116
3/1/10 - 2/28/11																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/11 - 2/28/12																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/12 - 2/28/13																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116
3/1/13 - 2/28/14																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/14 - 2/28/15																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/15 - 2/28/16																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116
3/1/16 - 2/28/17																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/17 - 2/28/18																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/18 - 2/28/19																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116

ACCIDENT YEAR	6:18	18:30	30:42	42:54	54:66	66:78	78:90	90:102	102:114	114:126	126:138	138:150	150:162	162:174	174:186	186:198	198:210	210:222	222:234
3/1/97 - 2/28/98																			1.001
3/1/98 - 2/28/99																			1.009
3/1/99 - 2/28/00																		1.000	1.000
3/1/00 - 2/28/01																		1.000	1.000
3/1/01 - 2/28/02																		1.000	1.000
3/1/02 - 2/28/03																		1.000	1.000
3/1/03 - 2/28/04																		1.000	1.000
3/1/04 - 2/28/05																		1.000	1.000
3/1/05 - 2/28/06																		1.000	1.000
3/1/06 - 2/28/07																		1.000	1.000
3/1/07 - 2/28/08																		1.000	1.000
3/1/08 - 2/28/09																		1.000	1.000
3/1/09 - 2/28/10																		1.000	1.000
3/1/10 - 2/28/11																		1.000	1.000
3/1/11 - 2/28/12																		1.000	1.000
3/1/12 - 2/28/13																		1.000	1.000
3/1/13 - 2/28/14																		1.000	1.000
3/1/14 - 2/28/15																		1.000	1.000
3/1/15 - 2/28/16																		1.000	1.000
3/1/16 - 2/28/17																		1.000	1.000
3/1/17 - 2/28/18																		1.000	1.000

Analysis Based Upon Paid Loss and Expenses
As of August 31, 2018

	Point to Point Paid Loss Development Factors																			Tot
	6:18	18:30	30:42	42:54	54:66	66:78	78:90	90:102	102:114	114:126	126:138	138:150	150:162	162:174	174:186	186:198	198:210	210:222	222:234	
Str. Average	5.770	1.346	1.127	1.139	1.028	1.018	1.020	1.013	1.038	1.013	1.010	1.008	1.005	1.008	1.006	1.001	1.000	1.010	1.003	
Wgt'd Avg.	5.877	1.305	1.139	1.121	1.027	1.018	1.019	1.014	1.034	1.014	1.011	1.006	1.004	1.005	1.004	1.001	1.000	1.010	1.003	
Avg (x-high & low)	5.259	1.261	1.119	1.114	1.020	1.018	1.021	1.013	1.012	1.004	1.003	1.000	1.000	1.003	1.002	1.000	1.000	1.000	1.001	
Selected	5.750	1.300	1.125	1.120	1.027	1.018	1.020	1.015	1.035	1.013	1.010	1.006	1.004	1.005	1.004	1.001	1.000	1.010	1.005	
Cumulative/No tail	11.179	1.944	1.495	1.329	1.187	1.156	1.135	1.113	1.097	1.059	1.046	1.036	1.029	1.025	1.020	1.016	1.015	1.015	1.005	
Cumulative/w/tail	11.179	1.944	1.495	1.329	1.187	1.156	1.135	1.113	1.097	1.059	1.046	1.036	1.029	1.025	1.020	1.016	1.015	1.015	1.005	1.000

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
12	12.418	12.00	0.92	120	1.478	2.48	-2.48	120	1.551	-2.48	2.44	120	1.622	120	1.551
24	5.605	24.00	0.54	132	1.382	3.18	-1.63	132	1.466	-3.18	1.53	132	1.551	132	1.466
36	3.867	36.00	0.30	144	1.307	3.58	-1.21	144	1.397	-3.58	1.05	144	1.494	144	1.397
48	3.222	48.00	0.16	156	1.248	3.87	-0.99	156	1.340	-3.87	0.80	156	1.448	156	1.340
60	2.547	60.00	-0.07	168	1.201	4.09	-0.70	168	1.293	-4.09	0.44	168	1.406	168	1.293
72	2.225	72.00	-0.22	180	1.164	4.28	-0.52	180	1.254	-4.28	0.20	180	1.372	180	1.254
84	1.950	84.00	-0.40	192	1.134	4.43	-0.34	192	1.220	-4.43	-0.04	192	1.342	192	1.220
96	1.805	96.00	-0.53	204	1.110	4.56	-0.21	204	1.192	-4.56	-0.22	204	1.317	204	1.192
108	1.674	108.00	-0.66	216	1.090	4.68	-0.09	216	1.168	-4.68	-0.39	216	1.295	216	1.168
				228	1.074			228	1.147			228	1.275	228	1.147
				240	1.061			240	1.128			240	1.258	240	1.128
				252	1.050			252	1.113			252	1.242	252	1.113
				264	1.041			264	1.099			264	1.228	264	1.099
				276	1.034			276	1.087			276	1.216	276	1.087
				288	1.028			288	1.077			288	1.205	288	1.077
				300	1.023			300	1.068			300	1.194	300	1.068
				312	1.019			312	1.060			312	1.185	312	1.060
				324	1.016			324	1.053			324	1.176	324	1.053
				336	1.013			336	1.046			336	1.168	336	1.046
				348	1.011			348	1.041			348	1.161	348	1.041
SUM		540.00	0.05			35.17	-8.16			-35.17	5.80				
AVERAGE		60.00	0.01			3.91	-0.91			-3.91	0.64				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =		9.000		N =		9.000		N =		9.000			
		A =		13.290		A =		0.006		A =		273.503			
		B =		0.984		B =		1.069		B =		1.271			
		R^2 =		0.977		R^2 =		0.998		R^2 =		0.997			

CITY_PAID_TAIL.xls

28-Sep-18

The City of Scranton
Weighted Average of PA Bureau of WC Paid Loss Development Factors
& City of Scranton WC Weighted Paid Loss Development Factors

Appendix A
Sheet 4

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve : $Y = A \cdot (B^X)$ (Power Model)		Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)		Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	LN(X)	Double Log [Y/(Y-1)]	LN(1/X)	LN(Y-1)	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y
12	7.604	12.00	0.71	6.0	6.243	2.48	-1.96	6.0	12.639
24	3.669	24.00	0.26	18.0	4.507	3.18	-1.14	18.0	4.973
36	2.746	36.00	0.01	30.0	3.448	3.58	-0.79	30.0	3.325
48	2.343	48.00	-0.16	42.0	2.767	3.87	-0.59	42.0	2.597
60	2.016	60.00	-0.36	54.0	2.309	4.09	-0.38	54.0	2.186
72	1.836	72.00	-0.60	66.0	1.989	4.28	-0.24	66.0	1.922
84	1.698	84.00	-0.64	78.0	1.780	4.43	-0.12	78.0	1.740
96	1.599	96.00	-0.76	90.0	1.592	4.56	-0.02	90.0	1.606
		102.0	1.466			102.0	1.505	102.0	1.557
		114.0	1.369			114.0	1.425	114.0	1.491
		126.0	1.295			126.0	1.382	126.0	1.438
		138.0	1.237			138.0	1.311	138.0	1.395
		150.0	1.191			150.0	1.268	150.0	1.360
		162.0	1.154			162.0	1.233	162.0	1.330
		174.0	1.125			174.0	1.203	174.0	1.304
		186.0	1.102			186.0	1.178	186.0	1.282
		198.0	1.083			198.0	1.156	198.0	1.263
		210.0	1.068			210.0	1.138	210.0	1.246
		222.0	1.055			222.0	1.122	222.0	1.231
		234.0	1.045			234.0	1.108	234.0	1.217
SUM		432.00	-1.43			30.48	-5.24		
AVERAGE		54.00	-0.18			3.81	-0.65		
PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES			
N =		8,000		8,000		8,000			
A =		7.538		0.016		104.410			
B =		0.984		0.912		1.132			
R^2 =		0.953		0.991		0.998			

PAID_FIT.xls

28-Sep-18

The City of Scranton
 Weighted Average of PA Bureau of WC Paid Loss Development Factors
 & City of Scranton WC Weighted Paid Loss Development Factors

Appendix A
 Sheet 4A

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A \cdot (B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)				Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
12	7.604	12.00	0.71	246.0	1.037	2.48	-1.96	246.0	1.096	-2.48	1.89	246.0	1.205	246.0	1.205
24	3.669	24.00	0.26	253.0	1.030	3.18	-1.14	258.0	1.085	-3.18	0.98	258.0	1.195	258.0	1.195
36	2.746	36.00	0.01	270.0	1.025	3.58	-0.79	270.0	1.076	-3.58	0.56	270.0	1.185	270.0	1.185
48	2.343	48.00	-0.16	282.0	1.020	3.87	-0.59	282.0	1.067	-3.87	0.29	282.0	1.176	282.0	1.176
60	2.016	60.00	-0.36	294.0	1.017	4.09	-0.38	294.0	1.060	-4.09	0.02	294.0	1.168	294.0	1.168
72	1.836	72.00	-0.50	306.0	1.014	4.28	-0.24	306.0	1.054	-4.28	-0.18	306.0	1.161	306.0	1.161
84	1.695	84.00	-0.64	318.0	1.011	4.43	-0.12	318.0	1.048	-4.43	-0.36	318.0	1.154	318.0	1.154
96	1.599	96.00	-0.76	330.0	1.009	4.56	-0.02	330.0	1.043	-4.56	-0.51	330.0	1.147	330.0	1.147
				342.0	1.008			342.0	1.039			342.0	1.142	342.0	1.142
				354.0	1.006			354.0	1.035			354.0	1.136	354.0	1.136
				366.0	1.005			366.0	1.031			366.0	1.131	366.0	1.131
				378.0	1.004			378.0	1.028			378.0	1.126	378.0	1.126
				390.0	1.003			390.0	1.025			390.0	1.122	390.0	1.122
				402.0	1.003			402.0	1.022			402.0	1.118	402.0	1.118
				414.0	1.002			414.0	1.020			414.0	1.114	414.0	1.114
				426.0	1.002			426.0	1.018			426.0	1.110	426.0	1.110
				438.0	1.002			438.0	1.016			438.0	1.107	438.0	1.107
				450.0	1.001			450.0	1.015			450.0	1.104	450.0	1.104
				462.0	1.001			462.0	1.013			462.0	1.101	462.0	1.101
				474.0	1.001			474.0	1.012			474.0	1.098	474.0	1.098
SUM		432.00	-1.43			30.48	-5.24			-30.48	2.69				
AVERAGE		54.00	-0.18			3.81	-0.65			-3.81	0.34				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	8.000			N =	8.000			N =	8.000				
		A =	7.538			A =	0.016			A =	104.410				
		B =	0.984			B =	0.912			B =	1.132				
		R^2 =	0.953			R^2 =	0.991			R^2 =	0.998				

PAID_FIT2.xls

28-Sep-18

The City of Scranton
City of Scranton WC Paid Loss Development Factors
PMA experience only

Appendix A
Sheet 4B

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES				TRANSFORMED VALUES				TRANSFORMED VALUES				FITTED VALUES	
X	Y	X	LN(LN(Y))			LN(X)	Double Log [Y/(Y-1)]			LN(1/X)	LN(Y-1)				
Cumulative Maturity (Months)	Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
6	11.179	6.00	0.88	12.0	2.429	1.79	-2.37	12.0	3.728	-1.79	2.32	12.0	3.511	12.0	3.511
18	1.944	18.00	-0.41	24.0	1.877	2.89	-0.33	24.0	2.086	-2.89	-0.06	24.0	1.818	24.0	1.818
30	1.495	30.00	-0.91	36.0	1.563	3.40	0.10	36.0	1.578	-3.40	-0.70	36.0	1.424	36.0	1.424
42	1.329	42.00	-1.26	48.0	1.373	3.74	0.33	48.0	1.343	-3.74	-1.11	48.0	1.266	48.0	1.266
54	1.187	54.00	-1.76	60.0	1.252	3.99	0.61	60.0	1.216	-3.99	-1.68	60.0	1.186	60.0	1.186
66	1.156	66.00	-1.93	72.0	1.173	4.19	0.70	72.0	1.140	-4.19	-1.86	72.0	1.138	72.0	1.138
78	1.135	78.00	-2.06	84.0	1.120	4.36	0.75	84.0	1.092	-4.36	-2.00	84.0	1.108	84.0	1.108
90	1.113	90.00	-2.23	96.0	1.084	4.50	0.83	96.0	1.081	-4.50	-2.18	96.0	1.087	96.0	1.087
102	1.097	102.00	-2.38	108.0	1.059	4.62	0.89	108.0	1.041	-4.62	-2.34	108.0	1.072	108.0	1.072
114	1.059	114.00	-2.65	120.0	1.041	4.74	1.06	120.0	1.028	-4.74	-2.82	120.0	1.060	120.0	1.060
				132.0	1.029			132.0	1.019			132.0	1.052	132.0	1.052
				144.0	1.021			144.0	1.013			144.0	1.045	144.0	1.045
				156.0	1.015			156.0	1.008			156.0	1.040	156.0	1.040
				168.0	1.010			168.0	1.006			168.0	1.035	168.0	1.035
				180.0	1.007			180.0	1.004			180.0	1.031	180.0	1.031
				192.0	1.005			192.0	1.003			192.0	1.028	192.0	1.028
				204.0	1.004			204.0	1.002			204.0	1.026	204.0	1.026
				216.0	1.003			216.0	1.001			216.0	1.023	216.0	1.023
				228.0	1.002			228.0	1.001			228.0	1.021	228.0	1.021
				240.0	1.001			240.0	1.001			240.0	1.020	240.0	1.020
SUM		600.00	-14.93			38.22	2.58			-38.22	-12.43				
AVERAGE		60.00	-1.49			3.82	0.26			-3.82	-1.24				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	10.000			N =	10.000			N =	10.000				
		A =	3.493			A =	0.022			A =	140.124				
		B =	0.972			B =	1.064			B =	1.618				
		R^2 =	0.884			R^2 =	0.931			R^2 =	0.984				

PMA_PAID_FIT.xls

28-Sep-18

The City of Scranton
 Weighted Average of PA Bureau of WC Paid Loss Development Factors
 & City of Scranton WC Weighted Paid Loss Development Factors

Appendix A
 Sheet 5

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

		Curve: $Y = A^*(B^X)$ (Power Model)				Curve: $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve: $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
12	7.604	12.00	0.71	10	5.561	2.48	-1.96	10	8.124	-2.48	1.89	10	8.709	10	8.709
24	3.669	24.00	0.26	22	4.098	3.18	-1.14	22	4.231	-3.18	0.98	22	4.158	22	4.158
36	2.746	36.00	0.01	34	3.189	3.58	-0.79	34	3.027	-3.58	0.56	34	2.930	34	2.930
48	2.343	48.00	-0.16	46	2.594	3.87	-0.59	46	2.436	-3.87	0.29	46	2.371	46	2.371
60	2.016	60.00	-0.36	58	2.190	4.09	-0.38	58	2.086	-4.09	0.02	58	2.054	58	2.054
72	1.836	72.00	-0.50	70	1.905	4.23	-0.24	70	1.854	-4.23	-0.18	70	1.852	70	1.852
84	1.698	84.00	-0.64	82	1.699	4.43	-0.12	82	1.691	-4.43	-0.36	82	1.712	82	1.712
96	1.599	96.00	-0.78	94	1.546	4.56	-0.02	94	1.569	-4.56	-0.51	94	1.610	94	1.610
				106	1.431			106	1.476			106	1.533	106	1.533
				118	1.342			118	1.403			118	1.472	118	1.472
				130	1.274			130	1.344			130	1.423	130	1.423
				142	1.220			142	1.296			142	1.383	142	1.383
				154	1.178			154	1.256			154	1.349	154	1.349
				166	1.144			166	1.223			166	1.321	166	1.321
				178	1.117			178	1.194			178	1.296	178	1.296
				190	1.095			190	1.170			190	1.275	190	1.275
				202	1.078			202	1.150			202	1.257	202	1.257
				214	1.063			214	1.132			214	1.241	214	1.241
				226	1.052			226	1.117			226	1.226	226	1.226
				238	1.042			238	1.104			238	1.213	238	1.213
SUM		432.00	-1.43			30.48	-5.24			-30.48	2.69				
AVERAGE		54.00	-0.18			3.81	-0.65			-3.81	0.34				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =		8.000		N =		8.000		N =		8.000			
		A =		7.538		A =		0.016		A =		104.410			
		B =		0.984		B =		0.912		B =		1.132			
		R^2 =		0.953		R^2 =		0.991		R^2 =		0.998			

PAYOUTS.xls

28-Sep-18

City of Scranton
Workers Compensation
Analysis Based Upon Incurred Loss and Expenses
As of December 31, 2011

ACCIDENT YEAR	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months	264 Months	276 Months	288 Months	300 Months
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1/1/11 - 12/31/11																									

ACCIDENT YEAR	12/24	24/38	36/48	48/60	60/72	72/84	84/96	96/108	108/120	120/132	132/144	144/156	156/168	168/180	180/192	192/204	204/216	216/228	228/240	240/252	252/264	264/276	276/288	288/300
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Ratio to Best Incurred Loss Development Factor

ACCIDENT YEAR	12/24	24/38	36/48	48/60	60/72	72/84	84/96	96/108	108/120	120/132	132/144	144/156	156/168	168/180	180/192	192/204	204/216	216/228	228/240	240/252	252/264	264/276	276/288	288/300
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Analysis Based Upon Incurred Loss and Expenses
As of December 31, 2011

	Point-to-Point Incurred Loss Development Factors																								Tail
	12:24	24:38	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:132	132:144	144:156	156:168	168:180	180:192	192:204	204:216	216:228	228:240	240:252	252:264	264:276	276:288	288:300	Tail
Str. Average	2.155	1.322	1.308	1.082	0.985	1.015	1.047	1.007	1.013	0.980	1.037	1.012	1.002	1.006	1.000	1.002	1.003	1.005	1.012	1.018	0.995	1.002	1.002	1.004	1.009
Weight Avg.	1.387	1.248	1.188	1.069	0.994	1.007	1.033	1.001	1.015	0.988	1.033	1.017	1.005	1.002	1.001	1.003	1.005	0.998	1.008	1.018	0.995	1.002	1.004	1.009	
Avg (x-high & low)	2.025	1.287	1.183	1.082	0.990	1.018	1.028	1.013	1.008	1.003	1.031	1.008	1.001	1.000	1.002	1.007	1.004	1.006	1.003	1.003	0.995	1.002			
Selected	2.025	1.300	1.185	1.082	0.985	1.012	1.035	1.007	1.013	1.000	1.034	1.012	1.003	1.003	1.002	1.005	1.004	1.005	1.010	1.015	0.995	1.002	1.003	1.009	1.010
Cumulative/No tail	3.930	1.941	1.493	1.260	1.184	1.182	1.188	1.129	1.121	1.108	1.108	1.070	1.057	1.054	1.051	1.049	1.044	1.040	1.034	1.024	1.009	1.014	1.012	1.009	1.010
Cumulative/w/tail	3.970	1.990	1.538	1.272	1.176	1.194	1.190	1.140	1.132	1.117	1.117	1.081	1.068	1.065	1.062	1.059	1.054	1.050	1.045	1.034	1.019	1.024	1.022	1.019	1.010
PMA Rates	2.484	1.590	1.267	1.171	1.121	1.081	1.072	1.058	1.049	1.041	1.036	1.031	1.028	1.025	1.022	1.020	1.018	1.017	1.015	1.014					
50/50 Internal LDFs	3.217	1.730	1.357	1.222	1.149	1.143	1.128	1.099	1.090	1.079	1.077	1.058	1.048	1.045	1.042	1.040	1.036	1.033	1.030	1.024					
2005 Bureau Factors	3.271	2.112	1.788	1.580	1.484	1.380	1.334	1.283	1.268	1.225	1.192	1.181	1.134	1.110	1.087	1.066									
Cumulative for Industry Grouping 18: Public Administration																									
50/50 Weighting (Bureau/Scranton Internal)	3.244	1.921	1.588	1.401	1.308	1.287	1.230	1.199	1.174	1.152	1.134	1.109	1.081	1.077	1.084	1.053									

Analysis Based Upon Incurred Loss and Expenses
As of August 31, 2018

ACCIDENT YEAR	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months
3/1/87 - 2/28/88																			\$2,270,879	\$2,270,747
3/1/88 - 2/28/89																		\$2,374,008	\$2,441,945	\$2,235,767
3/1/89 - 2/28/90																	\$2,026,957	\$2,026,957	\$2,026,957	\$2,026,957
3/1/90 - 2/28/91																	\$1,751,054	\$1,751,054	\$1,751,054	\$1,751,054
3/1/91 - 2/28/92																	\$2,505,031	\$2,505,031	\$2,505,031	\$2,505,031
3/1/92 - 2/28/93																	\$5,704,170	\$5,710,713		
3/1/93 - 2/28/94																	\$1,971,874			
3/1/94 - 2/28/95																	\$1,962,561			
3/1/95 - 2/28/96																	\$1,576,847			
3/1/96 - 2/28/97																	\$1,963,092			
3/1/97 - 2/28/98																	\$1,541,242			
3/1/98 - 2/28/99																	\$1,529,705			
3/1/99 - 2/28/10																	\$1,438,179			
3/1/10 - 2/28/11																	\$1,892,199			
3/1/11 - 2/28/12																	\$2,095,891			
3/1/12 - 2/28/13																	\$1,380,036			
3/1/13 - 2/28/14																	\$1,207,370			
3/1/14 - 2/28/15																	\$1,256,112			
3/1/15 - 2/28/16																	\$1,627,129			
3/1/16 - 2/28/17																	\$2,049,794			
3/1/17 - 2/28/18																	\$842,814			
3/1/18 - 2/28/19																	\$208,332			

ACCIDENT YEAR	6:18	18:30	30:42	42:54	54:66	66:78	78:90	90:102	102:114	114:126	126:138	138:150	150:162	162:174	174:186	186:198	198:210	210:222	222:234
3/1/97 - 2/28/98																			1.000
3/1/98 - 2/28/99																		1.029	0.918
3/1/99 - 2/28/00																	1.000	1.000	1.000
3/1/00 - 2/28/01																	1.000	1.000	
3/1/01 - 2/28/02																	1.000		
3/1/02 - 2/28/03																	1.001		
3/1/03 - 2/28/04																	1.005		
3/1/04 - 2/28/05																	1.004		
3/1/05 - 2/28/06																	1.000		
3/1/06 - 2/28/07																	1.000		
3/1/07 - 2/28/08																	1.000		
3/1/08 - 2/28/09																	1.000		
3/1/09 - 2/28/10																	1.000		
3/1/10 - 2/28/11																	1.000		
3/1/11 - 2/28/12																	1.000		
3/1/12 - 2/28/13																	1.000		
3/1/13 - 2/28/14																	1.000		
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3/1/16 - 2/28/17																	1.000		
3/1/17 - 2/28/18																	1.000		
3/1/18 - 2/28/19																	1.000		

Analysis Based Upon Incurred Loss and Expenses
As of August 31, 2018

	Point to Point Incurred Loss Development Factors																		
	<u>6:18</u>	<u>18:30</u>	<u>30:42</u>	<u>42:54</u>	<u>54:66</u>	<u>66:78</u>	<u>78:90</u>	<u>90:102</u>	<u>102:114</u>	<u>114:126</u>	<u>126:138</u>	<u>138:150</u>	<u>150:162</u>	<u>162:174</u>	<u>174:186</u>	<u>186:198</u>	<u>198:210</u>	<u>210:222</u>	<u>222:234</u>
Str. Average	6.273	1.275	1.055	1.141	1.025	0.998	1.001	1.034	1.029	1.013	0.971	1.002	1.003	0.978	1.002	1.000	1.000	1.010	0.972
Wgid Avg.	6.135	1.220	1.054	1.113	1.027	0.998	1.000	1.037	1.029	1.014	0.971	0.999	1.002	0.963	1.002	1.001	1.000	1.011	0.969
Avg (x-high & low)	3.444	1.334	1.058	1.076	1.021	1.003	1.000	1.018	1.012	1.010	1.000	1.000	1.000	1.000	1.002	1.000	1.000	1.000	1.000
Selected	3.600	1.275	1.055	1.100	1.025	1.003	1.001	1.030	1.030	1.012	1.001	1.001	1.002	1.001	1.002	1.001	1.000	1.010	1.000
Cumulative/No tail	5.825	1.664	1.305	1.237	1.125	1.097	1.094	1.093	1.081	1.030	1.018	1.017	1.016	1.014	1.013	1.011	1.010	1.010	1.000
Cumulative/w/tail	5.825	1.664	1.305	1.237	1.125	1.097	1.094	1.093	1.061	1.030	1.018	1.017	1.016	1.014	1.013	1.011	1.010	1.010	1.000

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
	Cumulative														
Maturity	Rptd Loss														
(Months)	Dev Factor														
12	3.930	12.00	0.31	120.0	1.009	2.48	-1.23	120	1.010	-2.48	1.08	120	1.052	120	1.010
24	1.941	24.00	-0.41	132.0	1.008	3.18	-0.32	132	1.008	-3.18	-0.06	132	1.044	132	1.006
36	1.493	36.00	-0.91	144.0	1.003	3.58	0.10	144	1.003	-3.58	-0.71	144	1.038	144	1.003
48	1.260	48.00	-1.47	156.0	1.002	3.87	0.46	156	1.002	-3.87	-1.35	156	1.033	156	1.002
60	1.164	60.00	-1.88	168.0	1.001	4.09	0.67	168	1.001	-4.09	-1.81	168	1.029	168	1.001
				180.0	1.001			180	1.001			180	1.025	180	1.001
				192.0	1.000			192	1.000			192	1.023	192	1.000
				204.0	1.000			204	1.000			204	1.020	204	1.000
				216.0	1.000			216	1.000			216	1.018	216	1.000
				228.0	1.000			228	1.000			228	1.017	228	1.000
				240.0	1.000			240	1.000			240	1.015	240	1.000
				252.0	1.000			252	1.000			252	1.014	252	1.000
				264.0	1.000			264	1.000			264	1.013	264	1.000
				276.0	1.000			276	1.000			276	1.012	276	1.000
				288.0	1.000			288	1.000			288	1.011	288	1.000
				300.0	1.000			300	1.000			300	1.010	300	1.000
				312.0	1.000			312	1.000			312	1.010	312	1.000
				324.0	1.000			324	1.000			324	1.009	324	1.000
				336.0	1.000			336	1.000			336	1.008	336	1.000
				348.0	1.000			348	1.000			348	1.008	348	1.000
SUM		180.00	-4.36			17.21	-0.32			-17.21	-2.85				
AVERAGE		36.00	-0.87			3.44	-0.06			-3.44	-0.57				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	5.000			N =	5.000			N =	5.000				
		A =	8.527			A =	0.016			A =	255.180				
		B =	0.956			B =	1.180			B =	1.775				
		R^2 =	0.991			R^2 =	0.998			R^2 =	0.995				

CITY_RPTD_FIT_TAIL.xls

28-Sep-18

The City of Scranton
Weighted Average of PA Bureau of WC Incurred Loss Development Factors
& City of Scranton WC Weighted Incurred Loss Development Factors

Appendix A
Sheet 9

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A^*(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X'	Y'	X	Y	X'	Y'	X	Y	X'	Y'	X	Y	X	Y
12	3.244	12.00	0.16	6.0	2.680	2.48	-1.00	6.0	4.649	-2.48	0.61	6.0	5.797	6.0	5.797
24	1.921	24.00	-0.43	18.0	2.151	3.18	-0.31	18.0	2.349	-3.18	-0.08	18.0	2.329	18.0	2.329
36	1.588	36.00	-0.77	30.0	1.814	3.58	-0.01	30.0	1.794	-3.58	-0.53	30.0	1.732	30.0	1.732
48	1.401	48.00	-1.09	42.0	1.589	3.87	0.22	42.0	1.538	-3.87	-0.91	42.0	1.494	42.0	1.494
60	1.306	60.00	-1.32	54.0	1.433	4.09	0.37	54.0	1.390	-4.09	-1.18	54.0	1.368	54.0	1.368
72	1.267	72.00	-1.44	66.0	1.323	4.28	0.44	66.0	1.296	-4.28	-1.32	66.0	1.291	66.0	1.291
84	1.230	84.00	-1.58	78.0	1.243	4.43	0.52	78.0	1.230	-4.43	-1.47	78.0	1.240	78.0	1.240
96	1.196	96.00	-1.72	90.0	1.184	4.56	0.59	90.0	1.183	-4.56	-1.63	90.0	1.203	90.0	1.203
				102.0	1.140			102.0	1.147			102.0	1.175	102.0	1.175
				114.0	1.107			114.0	1.120			114.0	1.154	114.0	1.154
				126.0	1.083			126.0	1.099			126.0	1.137	126.0	1.137
				138.0	1.064			138.0	1.082			138.0	1.123	138.0	1.123
				150.0	1.049			150.0	1.069			150.0	1.112	150.0	1.112
				162.0	1.038			162.0	1.058			162.0	1.102	162.0	1.102
				174.0	1.029			174.0	1.049			174.0	1.094	174.0	1.094
				186.0	1.023			186.0	1.041			186.0	1.087	186.0	1.087
				198.0	1.018			198.0	1.035			198.0	1.081	198.0	1.081
				210.0	1.014			210.0	1.030			210.0	1.075	210.0	1.075
				222.0	1.011			222.0	1.026			222.0	1.071	222.0	1.071
				234.0	1.008			234.0	1.022			234.0	1.066	234.0	1.066
SUM		432.00	-8.18			30.48	0.84			-30.48	-6.32				
AVERAGE		54.00	-1.02			3.81	0.10			-3.81	-0.79				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	8.000			N =	8.000			N =	8.000				
		A =	3.059			A =	0.063			A =	38.912				
		B =	0.979			B =	0.754			B =	1.168				
		R^2 =	0.925			R^2 =	0.982			R^2 =	0.997				

RPTD_FIT.xls

28-Sep-18

The City of Scranton

Weighted Average of PA Bureau of WC Incurred Loss Development Factors
City of Scranton WC Incurred Loss Development Factors

Appendix A
Sheet 9A

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A \cdot (B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
12	3.244	12.00	0.16	246.0	1.006	2.48	-1.00	246.0	1.019	-2.48	0.81	246.0	1.063	246.0	1.063
24	1.921	24.00	-0.43	258.0	1.005	3.18	-0.31	258.0	1.016	-3.18	-0.08	258.0	1.059	258.0	1.059
36	1.588	36.00	-0.77	270.0	1.004	3.58	-0.01	270.0	1.014	-3.58	-0.53	270.0	1.056	270.0	1.056
48	1.401	48.00	-1.09	282.0	1.003	3.87	0.22	282.0	1.012	-3.87	-0.91	282.0	1.053	282.0	1.053
60	1.306	60.00	-1.32	294.0	1.002	4.09	0.37	294.0	1.011	-4.09	-1.18	294.0	1.051	294.0	1.051
72	1.267	72.00	-1.44	306.0	1.002	4.28	0.44	306.0	1.009	-4.28	-1.32	306.0	1.049	306.0	1.049
84	1.230	84.00	-1.58	318.0	1.001	4.43	0.52	318.0	1.008	-4.43	-1.47	318.0	1.046	318.0	1.046
96	1.196	96.00	-1.72	330.0	1.001	4.56	0.59	330.0	1.007	-4.56	-1.63	330.0	1.044	330.0	1.044
				342.0	1.001			342.0	1.006			342.0	1.043	342.0	1.043
				354.0	1.001			354.0	1.005			354.0	1.041	354.0	1.041
				366.0	1.001			366.0	1.005			366.0	1.039	366.0	1.039
				378.0	1.000			378.0	1.004			378.0	1.038	378.0	1.038
				390.0	1.000			390.0	1.004			390.0	1.037	390.0	1.037
				402.0	1.000			402.0	1.003			402.0	1.035	402.0	1.035
				414.0	1.000			414.0	1.003			414.0	1.034	414.0	1.034
				426.0	1.000			426.0	1.002			426.0	1.033	426.0	1.033
				438.0	1.000			438.0	1.002			438.0	1.032	438.0	1.032
				450.0	1.000			450.0	1.002			450.0	1.031	450.0	1.031
				462.0	1.000			462.0	1.002			462.0	1.030	462.0	1.030
				474.0	1.000			474.0	1.001			474.0	1.029	474.0	1.029
SUM		432.00	-8.18			30.48	0.84			-30.48	-6.32				
AVERAGE		54.00	-1.02			3.81	0.10			-3.81	-0.79				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N = 8.000				N = 8.000				N = 8.000					
		A = 3.059				A = 0.063				A = 38.912					
		B = 0.979				B = 0.754				B = 1.168					
		R^2 = 0.925				R^2 = 0.982				R^2 = 0.997					

RPTD_FIT2.xls

28-Sep-18

The City of Scranton
City of Scranton WC Incurred Loss Development Factors
PMA experience only

Appendix A
Sheet 9B

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES				TRANSFORMED VALUES				TRANSFORMED VALUES				FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
6	5.825	6.00	0.57	12.0	1.942	1.79	-1.67	12.0	2.583	-1.79	1.57	12.0	2.464	12.0	2.464
18	1.664	18.00	-0.67	24.0	1.566	2.89	-0.09	24.0	1.669	-2.89	-0.41	24.0	1.500	24.0	1.500
30	1.305	30.00	-1.32	36.0	1.378	3.40	0.37	36.0	1.366	-3.40	-1.19	36.0	1.267	36.0	1.267
42	1.237	42.00	-1.55	48.0	1.250	3.74	0.50	48.0	1.222	-3.74	-1.44	48.0	1.171	48.0	1.171
54	1.125	54.00	-2.14	60.0	1.167	3.99	0.79	60.0	1.142	-3.99	-2.08	60.0	1.121	60.0	1.121
66	1.087	66.00	-2.38	72.0	1.114	4.19	0.88	72.0	1.094	-4.19	-2.33	72.0	1.091	72.0	1.091
78	1.094	78.00	-2.41	84.0	1.078	4.38	0.90	84.0	1.063	-4.38	-2.36	84.0	1.072	84.0	1.072
90	1.093	90.00	-2.42	96.0	1.053	4.50	0.90	96.0	1.043	-4.50	-2.37	96.0	1.058	96.0	1.058
102	1.061	102.00	-2.82	108.0	1.037	4.62	1.05	108.0	1.030	-4.62	-2.79	108.0	1.049	108.0	1.049
114	1.030	114.00	-3.51	120.0	1.025	4.74	1.25	120.0	1.021	-4.74	-3.50	120.0	1.041	120.0	1.041
				132.0	1.018			132.0	1.015			132.0	1.036	132.0	1.036
				144.0	1.012			144.0	1.010			144.0	1.031	144.0	1.031
				156.0	1.008			156.0	1.007			156.0	1.028	156.0	1.028
				168.0	1.006			168.0	1.005			168.0	1.025	168.0	1.025
				180.0	1.004			180.0	1.004			180.0	1.022	180.0	1.022
				192.0	1.003			192.0	1.003			192.0	1.020	192.0	1.020
				204.0	1.002			204.0	1.002			204.0	1.018	204.0	1.018
				216.0	1.001			216.0	1.001			216.0	1.017	216.0	1.017
				228.0	1.001			228.0	1.001			228.0	1.015	228.0	1.015
				240.0	1.001			240.0	1.001			240.0	1.014	240.0	1.014
SUM		600.00	-18.65			38.22	4.90			-38.22	-16.89				
AVERAGE		60.00	-1.87			3.82	0.49			-3.82	-1.69				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	10.000			N =	10.000			N =	10.000				
		A =	2.599			A =	0.052			A =	68.700				
		B =	0.970			B =	0.901			B =	1.549				
		R^2 =	0.889			R^2 =	0.945			R^2 =	0.977				

PMA_RPTD_FIT.xls

28-Sep-18

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

Curve : $Y = A*(B^X)$ (Power Model)		Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)		Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***							
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES			
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y
Maturity (Months)	Cumulative Rptd Claim Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
18	1.067	18.00	-2.73	8.0	1.146	2.89	1.02	8.0	1.270	-2.89	-2.70	8.0	1.270
30	1.012	30.00	-4.46	20.0	1.044	3.40	1.50	20.0	1.048	-3.40	-4.46	20.0	1.048
42	1.006	42.00	-5.20	32.0	1.013	3.74	1.65	32.0	1.013	-3.74	-5.19	32.0	1.013
54	1.002	54.00	-6.48	44.0	1.004	3.99	1.87	44.0	1.004	-3.99	-6.48	44.0	1.004
66	1.001	66.00	-7.53	56.0	1.001	4.19	2.02	56.0	1.001	-4.19	-7.53	56.0	1.001
				68.0	1.000			68.0	1.000			68.0	1.000
				80.0	1.000			80.0	1.000			80.0	1.000
				92.0	1.000			92.0	1.000			92.0	1.000
				104.0	1.000			104.0	1.000			104.0	1.000
				116.0	1.000			116.0	1.000			116.0	1.000
				128.0	1.000			128.0	1.000			128.0	1.000
				140.0	1.000			140.0	1.000			140.0	1.000
				152.0	1.000			152.0	1.000			152.0	1.000
				164.0	1.000			164.0	1.000			164.0	1.000
				176.0	1.000			176.0	1.000			176.0	1.000
				188.0	1.000			188.0	1.000			188.0	1.000
				200.0	1.000			200.0	1.000			200.0	1.000
				212.0	1.000			212.0	1.000			212.0	1.000
				224.0	1.000			224.0	1.000			224.0	1.000
				236.0	1.000			236.0	1.000			236.0	1.000
SUM		210.00	-26.40			18.21	8.05			-18.21	-26.36		
AVERAGE		42.00	-5.28			3.64	1.61			-3.64	-5.27		
PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES	
N =		5.000		N =		5.000		N =		5.000		N =	
A =		1.344		A =		0.325		A =		2416.726		A =	
B =		0.908		B =		0.751		B =		3.587		B =	
R^2 =		0.987		R^2 =		0.989		R^2 =		0.980		R^2 =	

Appendix A
Sheet 11

		Curve : $Y = A \cdot (B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-A \cdot B^X)]$ (Weibull)				Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X'	Y'	X	Y	X'	Y'	X	Y	X'	Y'	X	Y	X	Y
12	3.244	12.00	0.16	8.0	2.573	2.48	-1.00	8.0	3.849	-2.48	0.81	8.0	4.428	8.0	4.428
24	1.921	24.00	-0.43	20.0	2.085	3.18	-0.31	20.0	2.215	-3.18	-0.08	20.0	2.175	20.0	2.175
36	1.588	36.00	-0.77	32.0	1.770	3.58	-0.01	32.0	1.739	-3.58	-0.53	32.0	1.679	32.0	1.679
48	1.401	48.00	-1.09	44.0	1.559	3.87	0.22	44.0	1.508	-3.87	-0.91	44.0	1.468	44.0	1.468
60	1.306	60.00	-1.32	56.0	1.412	4.09	0.37	56.0	1.372	-4.09	-1.18	56.0	1.353	56.0	1.353
72	1.267	72.00	-1.44	68.0	1.307	4.28	0.44	68.0	1.283	-4.28	-1.32	68.0	1.281	68.0	1.281
84	1.230	84.00	-1.58	80.0	1.232	4.43	0.52	80.0	1.221	-4.43	-1.47	80.0	1.233	80.0	1.233
96	1.196	96.00	-1.72	92.0	1.176	4.56	0.59	92.0	1.176	-4.56	-1.63	92.0	1.198	92.0	1.198
				104.0	1.134			104.0	1.142			104.0	1.171	104.0	1.171
				116.0	1.103			116.0	1.116			116.0	1.151	116.0	1.151
				128.0	1.079			128.0	1.096			128.0	1.134	128.0	1.134
				140.0	1.061			140.0	1.080			140.0	1.121	140.0	1.121
				152.0	1.047			152.0	1.067			152.0	1.110	152.0	1.110
				164.0	1.036			164.0	1.056			164.0	1.101	164.0	1.101
				176.0	1.028			176.0	1.047			176.0	1.093	176.0	1.093
				188.0	1.022			188.0	1.040			188.0	1.086	188.0	1.086
				200.0	1.017			200.0	1.034			200.0	1.080	200.0	1.080
				212.0	1.013			212.0	1.029			212.0	1.075	212.0	1.075
				224.0	1.010			224.0	1.025			224.0	1.070	224.0	1.070
				236.0	1.008			236.0	1.021			236.0	1.066	236.0	1.066
SUM		432.00	-8.18			30.48	0.84			-30.48	-6.32				
AVERAGE		54.00	-1.02			3.81	0.10			-3.81	-0.79				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	8.000			N =	8.000			N =	8.000				
		A =	3.059			A =	0.053			A =	38.912				
		B =	0.979			B =	0.754			B =	1.168				
		R^2 =	0.925			R^2 =	0.982			R^2 =	0.997				

**The City of Scranton
Workers' Compensation**

**APPENDIX B
Sheet 1**

Derivation of Large Loss Critical Values

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Period	Implied Trend Factor to 2019	Large Loss Defintion	Maturity at 8/31/18 (months)	Reported Loss Development Factor	Reported Claim Development Factor	Large Loss Critical Reported Amount at 8/31/18
01/01/86-12/31/86	N/A	\$250,000	392	1.030	1.000	\$242,779
01/01/87-12/31/87	N/A	\$350,000	380	1.032	1.000	\$339,232
01/01/88-12/31/88	N/A	\$300,000	368	1.033	1.000	\$290,489
01/01/89-12/31/89	N/A	\$500,000	356	1.035	1.000	\$483,212
01/01/90-12/31/90	N/A	\$500,000	344	1.037	1.000	\$482,280
01/01/91-12/31/91	N/A	\$350,000	332	1.039	1.000	\$336,946
01/01/92-12/31/92	N/A	\$400,000	320	1.041	1.000	\$384,341
01/01/93-12/31/93	N/A	\$400,000	308	1.044	1.000	\$383,237
01/01/94-12/31/94	N/A	\$350,000	296	1.047	1.000	\$334,371
01/01/95-12/31/95	N/A	\$500,000	284	1.050	1.000	\$476,308
01/01/96-12/31/96	N/A	\$500,000	272	1.054	1.000	\$474,500
01/01/97-12/31/97	N/A	\$400,000	260	1.058	1.000	\$378,164
01/01/98-12/31/98	N/A	\$400,000	248	1.062	1.000	\$376,740
01/01/99-12/31/99	N/A	\$250,000	236	1.066	1.000	\$234,578
01/01/00-12/31/00	N/A	\$250,000	224	1.070	1.000	\$233,672
01/01/01-12/31/01	N/A	\$250,000	212	1.075	1.000	\$232,663
01/01/02-12/31/02	N/A*	\$300,000	200	1.080	1.000	\$277,838
01/01/03-12/31/03	N/A*	\$350,000	188	1.086	1.000	\$322,359
01/01/04-12/31/04	N/A*	\$400,000	176	1.093	1.000	\$366,094
01/01/05-12/31/05	N/A*	\$500,000	164	1.101	1.000	\$454,306
01/01/06-12/31/06	N/A	\$750,000	152	1.110	1.000	\$675,726
01/01/07-12/31/07	N/A	\$750,000	140	1.121	1.000	\$669,044
01/01/08-12/31/08	N/A	\$750,000	128	1.134	1.000	\$661,167
01/01/09-12/31/09	N/A	\$750,000	116	1.151	1.000	\$651,753
01/01/10-12/31/10	N/A	\$800,000	104	1.171	1.000	\$683,019
01/01/11-12/31/11	N/A	\$800,000	92	1.198	1.000	\$667,954
01/01/12-12/31/12	N/A	\$800,000	80	1.233	1.000	\$648,896
01/01/13-12/31/13	N/A	\$800,000	68	1.281	1.000	\$624,084
01/01/14-12/31/14	N/A	\$800,000	56	1.353	1.001	\$590,559
01/01/15-12/31/15	N/A	\$800,000	44	1.468	1.004	\$542,954
01/01/16-12/31/16	N/A	\$800,000	32	1.679	1.013	\$470,635
01/01/17-12/31/17	N/A	\$800,000	20	2.175	1.048	\$350,899
01/01/18-12/31/18	N/A	\$800,000	8	4.428	1.270	\$142,282

Note(*): retention increased from \$250,000 to \$300,000 effective 10/17/01, then to \$350,000 10/17/02, and then to \$400,000 effective 10/17/03. At 10/17/04, the SIR increased to \$500,000 and then \$1,500,000 from 10/17/05 to 12/1/05 and then decreased to \$750,000 through the 1/1/09 renewal.

Column (E): Appendix A, Sheet 11; runoff 1997 and prior

Column (F): Appendix A, Sheet 10

Column (G): Column (C)/ Column (E)/ Column (F)

The City of Scranton
Workers' Compensation

APPENDIX B
Sheet 2

Summary of Critical Value Disability Losses
As of August 31, 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/86-02/28/87								
03/01/86	SABLE	\$2,394	\$424,799	\$7,032	\$434,225	\$91,455	\$525,680	\$242,779
07/01/86	MC GEE	\$6,213	\$454,912	\$21,943	\$483,068	\$17,726	\$500,794	\$242,779
01/09/87	HOBAN	\$48,817	\$413,963	\$50,038	<u>\$512,818</u>	<u>\$0</u>	<u>\$512,818</u>	\$339,232
	3 Claims				\$1,430,110	\$109,181	\$1,539,291	
03/01/87-02/28/88								
08/04/87	KERRIGAN	\$175,796	\$433,507	\$20,462	\$629,765	\$33,416	\$663,181	\$339,232
08/09/87	ROSS III	\$8,996	\$368,392	\$2,022	\$379,410	\$0	\$379,410	\$339,232
08/15/87	NOVAK	\$15,304	\$371,897	\$15,027	\$402,228	\$0	\$402,228	\$339,232
09/01/87	GENOVESE	\$166,035	\$484,785	\$23,011	<u>\$673,831</u>	<u>\$0</u>	<u>\$673,831</u>	\$339,232
	4 Claims				\$2,085,235	\$33,416	\$2,118,651	
03/01/88-02/28/89								
05/06/88	MCGOWAN	\$17,515	\$537,095	\$15,655	\$570,265	\$138,231	\$708,496	\$290,489
07/14/88	TASSEY	\$3,990	\$281,218	\$3,038	\$288,247	\$114,038	\$402,285	\$290,489
07/17/88	RESCIGNO	\$0	\$215,050	\$3,372	\$218,421	\$340,098	\$558,519	\$290,489
08/13/88	MCHALE	\$31,714	\$300,486	\$23,443	\$355,642	\$0	\$355,642	\$290,489
01/14/89	HOFFMAN	\$32,152	\$606,318	\$18,037	<u>\$656,507</u>	<u>\$40,836</u>	<u>\$697,343</u>	\$483,212
	5 Claims				\$2,089,082	\$633,203	\$2,722,285	
03/01/90-02/28/91								
06/26/90	JONES	\$0	\$544,908	\$12,896	\$557,804	\$320,959	\$878,763	\$482,280
12/30/90	BENTLER	\$75,543	\$444,566	\$38,214	<u>\$567,063</u>	<u>\$33,326</u>	<u>\$600,389</u>	"Pappy Plan"
	2 Claims				\$1,124,866	\$354,285	\$1,479,151	

LgLosses.xls

28-Sep-18

The City of Scranton
Workers' Compensation

APPENDIX B
Sheet 3

Summary of Critical Value Disability Losses
As of August 31, 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I) Large Loss Critical Reported Amount
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	
03/01/91-02/28/92								
05/06/91	PRICE	\$23,868	\$365,198	\$2,156	\$391,222	\$52,386	\$443,608	\$336,946
07/19/91	WHALEN	\$138,044	\$295,115	\$18,444	\$451,602	\$0	\$451,602	\$336,946
07/24/91	MALINOWSKI	\$59,010	\$507,120	\$46,470	\$612,601	\$113,465	\$726,066	\$336,946
08/01/91	PETRINI	\$1,720	\$442,102	\$5,897	\$449,719	\$22,317	\$472,036	\$336,946
08/21/91	HARVEY	\$119,714	\$322,891	\$58,992	\$501,597	\$0	\$501,597	\$336,946
09/08/91	HUBSHMAN	\$13,294	\$398,781	\$61,227	\$473,302	\$0	\$473,302	\$336,946
11/05/91	SEYMOUR	\$96,312	\$546,905	\$21,588	\$664,805	\$78,301	\$743,106	\$336,946
02/07/92	BIDWELL	\$0	\$395,914	\$9,218	<u>\$405,133</u>	<u>\$0</u>	<u>\$405,133</u>	\$384,341
	8 Claims				\$3,949,979	\$266,469	\$4,216,448	
03/01/92-02/28/93								
08/02/92	DAVIS, B.	\$123,164	\$381,864	\$38,082	\$543,111	\$0	\$543,111	\$384,341
08/26/92	GRISKO	\$72,744	\$535,788	\$33,261	\$641,792	\$0	\$641,792	\$384,341
10/14/92	MONAHAN	\$34,940	\$644,818	\$80,507	\$760,265	\$0	\$760,265	\$384,341
11/29/92	DAVIS, Wm.	\$90,017	\$403,035	\$58,560	<u>\$551,613</u>	<u>\$0</u>	<u>\$551,613</u>	\$384,341
	4 Claims				\$2,496,780	\$0	\$2,496,780	
03/01/93-02/28/94								
03/04/93	POWELL	\$135,145	\$656,063	\$92,737	\$883,945	\$164,626	\$1,048,571	\$383,237
04/15/93	CONLON	\$77,228	\$584,473	\$19,034	\$680,735	\$29,221	\$709,956	\$383,237
05/02/93	WASYLYNIAK	\$59,871	\$470,649	\$27,589	\$558,109	\$0	\$558,109	\$383,237
05/14/93	JEFFERS	\$31,885	\$319,155	\$36,513	\$387,553	\$0	\$387,553	\$383,237
06/22/93	PALUTIS	\$76,477	\$390,796	\$48,169	\$515,442	\$0	\$515,442	\$383,237
07/08/93	ARMFIELD	\$11,005	\$588,113	\$16,879	\$615,997	\$61,749	\$677,746	\$383,237
07/24/93	CAWLEY	\$34,655	\$345,596	\$42,994	\$423,245	\$0	\$423,245	\$383,237
08/11/93	DAFFARO	\$49,843	\$531,593	\$3,881	\$585,317	\$26,988	\$612,305	\$383,237
01/19/94	BURRIER	\$59,239	\$255,436	\$31,406	<u>\$346,081</u>	<u>\$0</u>	<u>\$346,081</u>	\$334,371
	9 Claims				\$4,996,423	\$282,584	\$5,279,008	

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28-Sep-18

Summary of Critical Value Disability Losses
As of August 31, 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/95-02/28/96								
07/20/95	MCGINNIS	\$91,758	\$494,797	\$40,216	\$626,771	\$0	\$626,771	\$476,308
08/23/95	DERMODY	\$8,741	\$625,434	\$70,983	\$705,159	\$0	\$705,159	\$476,308
09/18/95	ANDREJACK	\$45,914	\$363,700	\$52,659	\$462,273	\$19,829	\$482,102	\$476,308
12/07/95	HINKLEY	\$61,862	\$362,619	\$55,955	\$480,436	\$0	\$480,436	\$476,308
01/05/96	DUDZINSKI	\$58,794	\$543,209	\$53,952	<u>\$659,841</u>	<u>\$30,046</u>	<u>\$689,887</u>	\$474,500
	5 Claims				\$2,934,480	\$49,875	\$2,984,355	
03/01/96-02/28/97								
07/24/96	DOYLE	\$586	\$666,365	\$13,380	\$680,330	\$0	\$680,330	\$474,500
09/04/96	MUSSO	\$195,469	\$154,800	\$49,004	<u>\$399,272</u>	<u>\$158,853</u>	<u>\$558,125</u>	
	2 Claims				\$1,079,603	\$158,853	\$1,238,456	
03/01/97-02/28/98								
06/09/97	MATTICKS	\$62,307	\$275,891	\$57,074	<u>\$395,272</u>	<u>\$0</u>	<u>\$395,272</u>	\$378,164
	1 Claim				\$395,272	\$0	\$395,272	
03/01/99-02/28/00								
04/06/99	OTTONE	\$24,493	\$227,517	\$33,777	\$285,787	\$0	\$285,787	\$234,578
05/10/99	KLEE	\$15,904	\$209,899	\$22,015	\$247,818	\$0	\$247,818	\$234,578
01/26/00	MARTIN	\$272,273	\$89,236	\$47,084	<u>\$408,593</u>	<u>\$0</u>	<u>\$408,593</u>	\$233,672
	3 Claims				\$942,198	\$0	\$942,198	
03/01/00-02/28/01								
06/09/00	MEDALLIS	\$103,100	\$148,552	\$30,040	\$281,692	\$0	\$281,692	\$233,672
07/13/00	WAZNAK	\$224,469	\$220,048	\$43,165	\$487,682	\$0	\$487,682	\$233,672
02/17/01	BATYKO	\$44,640	\$156,846	\$37,558	<u>\$239,044</u>	<u>\$0</u>	<u>\$239,044</u>	\$232,663
	3 Claims				\$1,008,418	\$0	\$1,008,418	

LgLosses.xls

28-Sep-18

The City of Scranton
Workers' Compensation

APPENDIX B
Sheet 5

Summary of Critical Value Disability Losses
As of August 31, 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/01-02/28/02								
08/10/01	LANNING	\$56,527	\$219,620	\$25,557	\$301,704	\$0	\$301,704	\$232,663
08/23/01	GALELLA	\$44,321	\$184,415	\$27,920	\$256,656	\$0	\$256,656	\$232,663
02/11/02	MACKIN	\$46,164	\$221,969	\$22,969	\$291,102	\$0	\$291,102	\$277,838
02/20/02	OZOVEK	\$143,954	\$268,672	\$30,331	<u>\$442,957</u>	<u>\$0</u>	<u>\$442,957</u>	\$277,838
	4 Claims	(2 post 10/17/01 S/R)			\$1,292,419	\$0	\$1,292,419	
03/01/02-02/28/03								
04/15/02	FARGIONE	\$126,603	\$304,542	\$27,010	\$463,519	\$0	\$463,519	\$277,838
06/12/02	GISOLFI	\$144,865	\$294,596	\$45,856	\$485,317	\$0	\$485,317	\$277,838
07/21/02	ROSAR, J.	\$79,913	\$308,354	\$44,915	\$433,182	\$0	\$433,182	\$277,838
07/25/02	BOEZI	\$195,457	\$223,981	\$76,148	<u>\$495,587</u>	<u>\$18,337</u>	<u>\$513,924</u>	\$277,838
	4 Claims	(all pre 10/17/02)			\$1,877,604	\$18,337	\$1,895,941	
03/01/03-02/28/04								
11/25/03	MALONE	\$4,886	\$292,615	\$8,325	<u>\$305,826</u>	\$385,277	<u>\$691,103</u>	\$368,410
	1 Claim	(1 post 10/16/03 S/R)			\$305,826	\$385,277	\$691,103	
03/01/04-02/28/05								
06/24/04	EIBACH	\$155,654	\$284,209	\$58,192	\$498,055	\$0	\$498,055	\$366,094
09/19/04	McINTYRE	\$149,519	\$236,458	\$20,023	<u>\$417,202</u>	<u>\$0</u>	<u>\$417,202</u>	\$366,094
	2 Claims	(pre 10/17/04)			\$915,257	\$0	\$915,257	
03/01/06-02/28/07								
09/12/06	SVETOVICH	\$168,600	\$296,993	\$97,531	<u>\$563,124</u>	\$149,745	<u>\$712,869</u>	\$675,726
	1 Claim				\$563,124	\$149,745	\$712,869	
03/01/15-02/28/16								
07/11/15	WILDING	\$93,143	\$157,187	\$4,540	<u>\$254,869</u>	\$1,696,745	<u>\$1,951,614</u>	\$542,954
	1 Claim				\$254,869		\$1,951,614	

LgLosses.xls

28-Sep-18

The City of Scranton
Workers' Compensation

APPENDIX C

Derivation of Discount Factors as of 8/31/18

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
		Cumulative			% Losses		
Accident	Maturity	Paid Loss	% Losses	Midpoint	Paid		
Period	in Years	Development	Paid	Upcoming	Upcoming	Column(F)	Discount
	at 8/31/18	Factor	at 8/31/18	Period	Period	Discounted	Factor
2018/2019	0.50	14.743	6.8%	1.0	13.4%	0.130	0.791
2017/2018	1.50	4.964	20.1%	2.0	10.9%	0.103	0.781
2016/2017	2.50	3.223	31.0%	3.0	8.7%	0.079	0.771
2015/2016	3.50	2.519	39.7%	4.0	7.0%	0.062	0.762
2014/2015	4.50	2.143	46.7%	5.0	5.7%	0.049	0.755
2013/2014	5.50	1.911	52.3%	6.0	4.7%	0.039	0.749
2012/2013	6.50	1.754	57.0%	7.0	3.9%	0.032	0.745
2011/2012	7.50	1.641	60.9%	8.0	3.3%	0.026	0.743
2010/2011	8.50	1.557	64.2%	9.5	5.3%	0.040	0.742
	10.50	1.438	69.5%	11.5	4.0%	0.028	0.745
	12.50	1.360	73.5%	13.5	3.2%	0.021	0.755
	14.50	1.304	76.7%	15.5	2.5%	0.016	0.769
	16.50	1.263	79.2%	17.5	2.1%	0.012	0.791
	18.50	1.231	81.2%	19.5	2.3%	0.013	0.818
	20.50		83.5%	21.5	2.5%	0.013	0.845
	22.50		86.0%	23.5	2.7%	0.014	0.873
	24.50		88.7%	25.5	3.0%	0.014	0.901
	26.50		91.7%	27.5	3.3%	0.015	0.929
	28.50		95.1%	29.5	3.6%	0.015	0.956
	30.50		98.7%	31.5	1.3%	0.005	0.971
ULT	32.50	1.000	100.0%				

Annual Interest Rate: 3.00%

Column(C): Appendix A, Sheet 4

Column(D): 1 / Column (C)

Column(E): [Column (B), current line + Column (B), next line] / 2

Column(F): Column (D), next line - Column (D), current line

with runoff after 19 years based upon an annual increase of 10% over prior period

Column(G): $\text{Column(F)} \times [1 + \text{Interest Rate}]^{\text{Column(E)}}$

Column(H): $[1 + \text{Interest Rate}]^{\text{Column(B)}} / [1 - \text{Column(D)}] \times \text{Upward Sum, Column(G)}$

DFAX.XLS

28-Sep-18



DEPARTMENT OF LAW

PENNSYLVANIA

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

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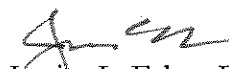
OFFICE OF CITY
COUNCIL/CITY CLERK

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE APPROPRIATING FUNDS FOR THE
EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING
ON THE FIRST DAY OF JANUARY, 2019 TO AND INCLUDING DECEMBER 31,
2019 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR
THE YEAR 2019.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 6, 1976 ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A TAX FOR GENERAL REVENUE PURPOSES ON THE TRANSFER OF REAL PROPERTY SITUATE WITHIN THE CITY OF SCRANTON; PRESCRIBING AND REGULATING THE METHOD OF EVIDENCING THE PAYMENT OF SUCH TAX; CONFERRING POWERS AND IMPOSING DUTIES UPON CERTAIN PERSONS, AND PROVIDING PENALTIES", BY IMPOSING THE RATE OF THE REALTY TRANSFER TAX AT TWO AND TWO TENTHS PERCENT (2.2%) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

SECTION 1. Be it ordained by the Council of the City of Scranton that the following

Sections of File of the Council No. 6, 1976 shall be amended to read as follows:

- A. Section 2. IMPOSITION OF TAX. For calendar year 2019, the City of Scranton adopts the provisions of Article XI-D of the Tax Reform Code of 1971 and imposes a realty transfer tax as authorized under that Article subject to the rate limitations therein on each transfer of real property situate within the City of Scranton, or any interest therein, regardless of where the instruments making the transfers are made, executed or delivered, or where the actual settlements on such transfers take place. On and after the effective date of this Ordinance, every person who accepts delivery of any document or on whose behalf delivery of any document is accepted, shall be subject to pay a tax of 2.2 percentum of the value of the property represented by such documents which tax shall be payable at the time of the acceptance of delivery of the document. Where any document is delivered to the Commonwealth, to a political subdivision or to an authority created by the Commonwealth, or a political subdivision, the person by whom the document was made, executed, issued or delivered shall be subject to pay the tax, unless the transfer is between such governmental agencies, in which case no tax shall be paid. Where any lands, tenements or hereditament are situate partly within and partly without the boundaries of the City of Scranton, the tax shall be paid on the value of the portion of the lands, tenements or hereditament situate within the City of Scranton, the tax shall be paid on the value of the portion of the lands, tenements or hereditament situate within the City of Scranton."
- B. Section 6. INTEREST. Any tax under Section 2 that is not paid by the date the tax is due shall bear interest as prescribed for interest on delinquent municipal claims under the Act of May 16, 1923 (P.L. 207, No. 153) (53 P.S. Section 7101, et seq.) as amended, known as "The Municipal Claims and Tax Liens Act". The interest rate shall be the lesser of the interest rate imposed upon delinquent Commonwealth taxes as provided in Section 806 of the Act of April 9, 1929 (P.L. 343, No. 176) (72 P.S. S806), as amended, known as "The Fiscal Code", or the maximum interest rate permitted under the Municipal Claims and Tax Liens Act for tax claims.
- C. Section 11. EFFECTIVE DATE. The provisions of this ordinance shall become effective on and be applicable to any document made, executed, delivered, accepted or presented for recording on or after October 5, 2005 and shall be effective annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation, pursuant to the Local Tax Enabling Act, 53 Pa. C.S. § 6924.306.

SECTION 2. In all other respects, File of the Council No. 6, 1976 shall remain in full force and effect.

SECTION 3. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this ordinance and the effective administration thereof.

SECTION 4. This Ordinance shall be retroactive to January 1, 2019.

SECTION 5. If the correct amount of the tax is not paid by the last date prescribed for timely payment, The City of Scranton, pursuant to Section 1102-D of the Tax Reform Code of 1971 (72 P.S. S 8102-D), authorizes and directs the Department of Revenue of the Commonwealth of Pennsylvania to determine, collect and enforce the tax, interest and penalties.

SECTION 6. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

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OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 6, 1976 ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A TAX FOR GENERAL REVENUE PURPOSES ON THE TRANSFER OF REAL PROPERTY SITUATE WITHIN THE CITY OF SCRANTON; PRESCRIBING AND REGULATING THE METHOD OF EVIDENCING THE PAYMENT OF SUCH TAX; CONFERRING POWERS AND IMPOSING DUTIES UPON CERTAIN PERSONS, AND PROVIDING PENALTIES", BY IMPOSING THE RATE OF THE REALTY TRANSFER TAX AT TWO AND TWO TENTHS PERCENT (2.2%) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

Respectfully,

Jessica Eskra (s)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 7, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A MERCANTILE LICENSE TAX OF 2 MILLS FOR THE YEAR 1976 AND ANNUALLY THEREAFTER UPON PERSONS ENGAGING IN CERTAIN OCCUPATIONS AND BUSINESSES THEREIN; PROVIDING FOR ITS LEVY AND COLLECTION AND FOR THE ISSUANCE OF MERCANTILE LICENSES; CONFERRING AND IMPOSING POWERS AND DUTIES UPON THE TAX COLLECTOR OF THE CITY OF SCRANTON; AND IMPOSING PENALTIES", BY IMPOSING THE MERCANTILE LICENSE TAX AT ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON, that

Section 4 of File of the Council No. 7, 1976 shall be amended to read as follows:

"Section 4. Imposition and rate of tax.

Every person engaging in any of the following occupations or businesses in the City shall pay a Mercantile License Tax for the year 2019 and annually thereafter at the rate set forth:

- (a) Wholesale vendors or dealers in goods, wares and merchandise, at the rate of one (1) mill (.001) on each dollar of the volume of the annual gross business transacted by them;
- (b) Retail vendors or dealers in goods, wares and merchandise, at the rate of one (1) mill (.001) on each dollar of the volume of annual gross business transacted by them;
- (c) All persons or entities engaged in conducting restaurants or other places where food, drink or refreshments are sold, whether or not the same be incidental to some other business or occupation, and all persons or entities conducting places of amusement or entertainment, whether or not the same be incidental to some other business or occupation, at the rate of one (1) mill (.001) on each dollar of the volume of the annual gross business transacted by them; and
- (d) The tax imposed by this Section shall not apply to the dollar volume of annual business covering the resale of goods, wares or merchandise taken by a dealer as a trade-in or part-payment for other goods or wares, except to the extent that the resale price exceeds the trade-in allowance."

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Ordinance and the effective administration thereof.

SECTION 3. In all other respects, File of the Council No. 7, 1976 shall remain in full force and effect.

SECTION 4. This Ordinance shall be retroactive to January 1, 2019.

SECTION 5. This Ordinance is enacted by the Council of the City of Scranton and said taxes are levied pursuant to the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

SECTION 6. The tax imposed herein is effective for calendar year 2019 and shall remain in full force and effect annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 7, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

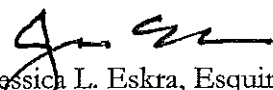
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 7, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A MERCANTILE LICENSE TAX OF 2 MILLS FOR THE YEAR 1976 AND ANNUALLY THEREAFTER UPON PERSONS ENGAGING IN CERTAIN OCCUPATIONS AND BUSINESSES THEREIN; PROVIDING FOR ITS LEVY AND COLLECTION AND FOR THE ISSUANCE OF MERCANTILE LICENSES; CONFERRING AND IMPOSING POWERS AND DUTIES UPON THE TAX COLLECTOR OF THE CITY OF SCRANTON; AND IMPOSING PENALTIES", BY IMPOSING THE MERCANTILE LICENSE TAX AT ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 8, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) PROVIDING FOR THE GENERAL REVENUE BY IMPOSING A TAX AT THE RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF OPERATING OR CONDUCTING BUSINESS IN THE CITY OF SCRANTON AS MEASURED BY THE GROSS RECEIPTS THEREFROM; REQUIRING REGISTRATION AND PAYMENT OF THE TAX AS CONDITION TO THE CONDUCTING OF SUCH BUSINESS; PROVIDING FOR THE LEVY AND COLLECTION OF SUCH TAX; PRESCRIBING SUCH REQUIREMENTS FOR RETURNS AND RECORDS; CONFERRING POWERS AND DUTIES UPON THE TAX COLLECTOR; AND IMPOSING PENALTIES", BY IMPOSING THE BUSINESS PRIVILEGE TAX AT THE RATE OF ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

SECTION 1. Be it ordained by the Council of the City of Scranton that Section 3 of File of the Council No. 8, 1976 shall be amended to read as follows:

"Section 3. Imposition and rate of tax:
Beginning with the tax year 2019, and
annually thereafter, every person engaging
in any business in the City of Scranton shall
pay an annual tax at the rate of one (1) mill
(.001) on each dollar of volume of the
gross annual receipts thereof."

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this ordinance, and the effective administration thereof.

SECTION 3. In all other respects, File of the Council No. 8, 1976 shall remain in full force and effect.

SECTION 4. This Ordinance shall be retroactive to January 1, 2019.

SECTION 5. This Ordinance is enacted by the Council of the City of Scranton and said taxes are levied pursuant to the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

SECTION 6. The tax imposed herein is effective for calendar year 2019 and shall remain in full force and effect annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 7, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
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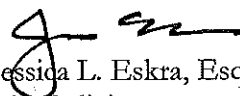
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 8, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) PROVIDING FOR THE GENERAL REVENUE BY IMPOSING A TAX AT THE RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF OPERATING OR CONDUCTING BUSINESS IN THE CITY OF SCRANTON AS MEASURED BY THE GROSS RECEIPTS THEREFROM; REQUIRING REGISTRATION AND PAYMENT OF THE TAX AS CONDITION TO THE CONDUCTING OF SUCH BUSINESS; PROVIDING FOR THE LEVY AND COLLECTION OF SUCH TAX; PRESCRIBING SUCH REQUIREMENTS FOR RETURNS AND RECORDS; CONFERRING POWERS AND DUTIES UPON THE TAX COLLECTOR; AND IMPOSING PENALTIES", BY IMPOSING THE BUSINESS PRIVILEGE TAX AT THE RATE OF ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR THE VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

SECTION 1. BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON, and it is hereby ordained that Part II of File of the Council No. 11, 1976 is hereby amended to read as follows:

"II. IMPOSITION OF TAX.

An annual tax for general revenue purposes of two and four tenths percent (2.4%) is hereby imposed on the earned income received and net profits earned in the period beginning January 1ST and ending December 31ST annually by all persons, individuals, associations, and businesses who are residents of the City of Scranton, and one percent (1%) on non-residents of the City of Scranton, for work done, services performed or businesses conducted within the City of Scranton."

SECTION 2. If any section, clause, provision or portion of this ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this ordinance and the effective administration thereof.

SECTION 3. In all other respects, File of the Council No. 11, 1976 shall remain in full force and effect.

SECTION 4. This Ordinance shall be retroactive to January 1, 2019.

SECTION 5. This Ordinance is enacted by the Council of the City of Scranton and said taxes are levied pursuant to the authority of the Act of the Legislature, April 13, 1972, Act No.

62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

SECTION 6. The tax imposed herein is effective for calendar year 2019 and shall remain in full force and effect annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 7, 2018

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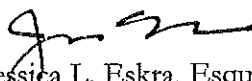
To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR THE VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 78, 2017, AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 100, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) LEVYING GENERAL AND SPECIAL TAXES FOR THE FISCAL YEAR 1977", BY SETTING THE MILLAGE FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER" BY AMENDING SECTION 1 REVERTING BACK TO THE MILLAGE RATES FROM 2016 WHICH ARE .232521 MILLS LEVY ON LAND AND .050564 MILLS LEVY ON ALL BUILDINGS AND BY ELIMINATING THE DEDICATED MILLAGE FOR DEBT SERVICE CONTAINED IN SECTION 2 AND REPLACING THE DEDICATED MILLAGE FOR DEBT SERVICE WITH A DEDICATED DEBT PERCENTAGE OF 32% OF REAL ESTATE TAX REVENUES COLLECTED ON A CURRENT YEAR BASIS.

SECTION 1. Be it ordained by the Council of the City of Scranton, that Section 1 of File of the Council No. 100, 1976 shall be amended to read as follows:

"The Council of the City of Scranton ordains that for the purpose of defraying the expense of the City of Scranton for the fiscal year commencing on the first day of January, 2019 and certain other deficiencies prior thereto, a tax is hereby levied on all real, personal and mixed property within the limits of the City of Scranton, Pennsylvania taxable according to the laws of the Commonwealth of Pennsylvania as follows:

To provide for the payment of general expenses and to provide for the various interest and sinking funds as required by law, there is hereby levied on each thousand dollar of valuation in the Scranton Twenty-Four Ward area:

For General Expense and Sinking Fund purposes:

Levy on all Land	.232521 millage rate
Levy on all buildings	.050564 millage rate

The total levy for general and special purpose is two hundred thirty two dollars and .521 cents (\$232.521) on each one thousand dollars of said valuation of land, and fifty dollars and .564 cents (\$50.564) on each one thousand dollars of said valuation on all buildings."

The total levy remains unchanged from 2016 at 283.085 mills.

SECTION 2. Eliminating the dedicated millage for debt service and imbedding a dedicated percentage of revenues thereby meeting the intent of a segregated stream of revenues assigned to debt service. To address the continued dedication of real estate tax revenue, the Single Tax Office will be notified, and the amended legislation will certify, that 32% of real estate tax revenue on a current year basis will be remitted to the City's Single Point Paying Agent to meet the budgeted debt service requirement for the fiscal year.

SECTION 3. This Ordinance shall be retroactive to January 1, 2019.

SECTION 4. In all other respects, File of the Council No. 100, 1976 shall remain in full force and effect.

SECTION 5. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Ordinance and the effective administration thereof.

SECTION 6. The tax imposed herein is effective for calendar year 2019 and shall remain in full force and effect annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation, pursuant to the Local Tax Enabling Act, 53 Pa. C.S. § 6924.306 and the Act of the Legislature, April 13, 1972, Act No. 62.

SECTION 7. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

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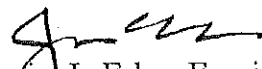
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 78, 2017, AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 100, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) LEVYING GENERAL AND SPECIAL TAXES FOR THE FISCAL YEAR 1977", BY SETTING THE MILLAGE FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER" BY AMENDING SECTION 1 REVERTING BACK TO THE MILLAGE RATES FROM 2016 WHICH ARE .232521 MILLS LEVY ON LAND AND .050564 MILLS LEVY ON ALL BUILDINGS AND BY ELIMINATING THE DEDICATED MILLAGE FOR DEBT SERVICE CONTAINED IN SECTION 2 AND REPLACING THE DEDICATED MILLAGE FOR DEBT SERVICE WITH A DEDICATED DEBT PERCENTAGE OF 32% OF REAL ESTATE TAX REVENUES COLLECTED ON A CURRENT YEAR BASIS.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229636 ENTITLED "SSA PENSION" FOR RECEIVING FUNDS FROM THAT PART OF THE SALE OF THE SCRANTON SEWER AUTHORITY PROCEEDS USED FOR THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018) AND THE DISBURSEMENT OF PAYMENTS ON THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018).

WHEREAS, this Special City Account is being established for receiving funds from that part of the sale of the Scranton Sewer Authority proceeds used for the Pension Obligation Note (Taxable Series of 2018) and the disbursement of payments on the Pension Obligation Note (Taxable Series of 2018).

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229636 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 8, 2018

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

Dear Attorney Eskra:

Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of receiving funds from that part of the sale of the Scranton Sewer Authority proceeds used for the Pension Obligation Note (Taxable Series of 2018) and the disbursement of payments on the Pension Obligation Note (Taxable series of 2018).

02.229636
SSA Pension

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,


Dave Bulzoni
Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Rebecca McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

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November 8, 2018

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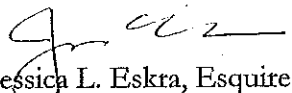
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229636 ENTITLED "SSA PENSION" FOR RECEIVING FUNDS FROM THAT PART OF THE SALE OF THE SCRANTON SEWER AUTHORITY PROCEEDS USED FOR THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018) AND THE DISBURSEMENT OF PAYMENTS ON THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018).

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229637 ENTITLED "SSA FUNDS" FOR RECEIVING THE REMAINING BALANCE OF FUNDS FROM THE SALE OF THE SCRANTON SEWER AUTHORITY FOR DISBURSING FOR FUTURE CITY PROJECTS.

WHEREAS, this Special City Account is being established for receiving the remaining balance of funds from the sale of the Scranton Sewer Authority for disbursing for future City projects

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229637 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 8, 2018

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

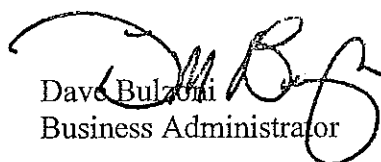
Dear Attorney Eskra:

Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of receiving the remaining balance of funds from the sale of the Scranton Sewer Authority for disbursing for future City projects.

02.229637
SSA Funds

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,


Dave Bulzoni
Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Rebecca McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

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November 8, 2018

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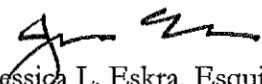
OFFICE OF CITY
COUNCIL/CITY CLERK

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING
SPECIAL CITY ACCOUNT NO. 02.229637 ENTITLED "SSA FUNDS" FOR
RECEIVING THE REMAINING BALANCE OF FUNDS FROM THE SALE OF THE
SCRANTON SEWER AUTHORITY FOR DISBURSING FOR FUTURE CITY
PROJECTS.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

**AMENDING FILE OF THE COUNCIL NO. 138, 2017 AN ORDINANCE
"AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO
EXECUTE AND ENTER INTO A PENSION TRUST AGREEMENT WITH THE
COMPOSITE PENSION BOARD TO HOLD APPROXIMATELY \$22,910,531.56 OF
THE PROCEEDS FROM THE SALE OF THE ASSETS OF THE SCRANTON SEWER
AUTHORITY IN TRUST UNTIL SUCH TIME AS PENSION REFORMS HAVE BEEN
ENACTED" BY PERMITTING THE CITY TO TRANSFER FUNDS REQUIRED
PURSUANT TO THE ORIGINAL TRUST AGREEMENT TO THE COMPOSITE
PENSION BOARD THROUGH THE ISSUANCE OF NONELECTORAL DEBT IN A
PRINCIPAL AMOUNT OF APPROXIMATELY \$22,910,531.56.**

WHEREAS, the City executed the Trust Agreement with the Composite Pension Board wherein, upon agreement between the City and the Composite Pension Board, the City would deposit approximately \$22,910,531.56 of Trust Proceeds into the Pension Contribution Account Discount Rate Reduction Subaccount, and/or a portion may be deposited into a separate OPEB Account, and the balance remaining may be deposited into the Pension Contribution Account for the aggregate pension fund; and

WHEREAS, the Trust Agreement shall be amended to allow for the Trust proceeds to be deposited in a Deposit Account with Webster Bank, N.A. at 100 Westminster Street, Providence R.I. 02903 as part of the issuance of nonelectoral debt pursuant to the Local Government Unit Debt Act (53 Pa. C.S., Chapters 80-82), designated generally as "Federally Taxable General Obligation Note, Series of 2018" in a principal amount not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000) for the purpose of a portion being deposited into the Pension Contribution Account Discount Rate Reduction Subaccount, and the balance remaining for purposes of funding the unfunded accrued pension liability of the City of Scranton Pension Funds as authorized in File of the Council No 138 of 2017.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that File of the Council No. 38, 2017 is hereby Amended by permitting the City to transfer funds required pursuant to the original Trust Agreement to the Composite Pension Board through the issuance of nonelectoral debt in the principal amount of approximately \$22,910,531.56.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

TRUST AGREEMENT

Dated as of December 1, 2018

By and Among

CITY OF SCRANTON

and

SCRANTON COMPOSITE PENSION BOARD

TRUST AGREEMENT

THIS TRUST AGREEMENT (the "Trust Agreement") made and entered into as of this 1st day of November, 2017, by and among City of Scranton, Pennsylvania (the "City") and the Scranton Composite Pension Board.

WITNESSETH:

WHEREAS, the City, the Borough of Dunmore and the Scranton Sewer Authority have heretofore sold certain sewer system assets to the Pennsylvania American Water Company (the "Sale"); and

WHEREAS, after paying transactional costs, funding required escrows, and retiring or defeasing the outstanding sewer system debt, and meeting other terms as set forth in the Sale, the City's portion of the Sale proceeds received at closing was \$69,074,221, comprised of \$66,505,463 received at closing and \$2,568,758 released from the sewer revenue bond refunding escrows (the "Sale Proceeds"); and

WHEREAS, upon the Sale, an escrow fund for representations and warranties was established in the amount of \$5,000,000, with the City's share being 80 percent of that amount and the Borough's 20 percent, as well as an escrow fund for easements in the amount of \$12,000,000, with the City's share being 80 percent of that amount and the Borough's 20 percent. Upon the extinguishment of those escrows according to the schedule agreed upon at closing, all remaining funds will return to the City and the Borough according to the appropriate proportional share as additional proceeds ("Escrowed Sale Proceeds"); and

WHEREAS, the City determined to apply a portion of the Sale Proceeds to retire certain high coupon general obligation debt of the City (referred to as the City's 2006 General Obligation Bonds, the City's 2012 General Obligation Bonds, and the City's 2013 General Obligation Bonds) reducing the fixed costs of the general fund by approximately \$5.2 million per year; and

WHEREAS, the City determined to apply a portion of the Sale Proceeds to defease General Obligation debt of the City Series C of 2003 and Series D of 2003, and refund \$24,620,000 of Series B of 2003, reducing the City's debt service by \$29,170,000; and

WHEREAS, the City has agreed to apply an amount equal to the remaining Sale Proceeds to: i.) make necessary capital improvements in the City, ii.) provide initial funding for storm water management planning, iii.) fund economic development initiatives, iv.) repay or defease additional outstanding liabilities of the City v.) fund the City's pension plans; and vi.) potentially create/contribute to an OPEB Trust Fund; and

WHEREAS, among the pension reforms that are extremely important to the City's future financial well-being are: i) retaining a nationally recognized investment advisor to oversee the tactical and strategic allocation of pension fund investments; ii) retaining a third party administrator to assist the composite pension board with the operation of the funds, including but

not limited to assisting with the processing of disability pension applications, iii) utilization of independent board certified specialists to determine disability eligibility and continuing compliance with all material aspects of the January 30, 2015 Memoranda of Understanding, as amended by the Memoranda of Agreement filed in the Court of Common Pleas of Lackawanna County, No. 13-CV-6689 (the "Disability Pension Agreements"); and

WHEREAS, the City has agreed to invest the pension contributions made hereunder until such time as the above pension reforms are enacted; and

WHEREAS, it is anticipated that an amount of approximately \$22,910,531.56 shall be deposited in the pension plans; and

WHEREAS, the funds deposited hereunder shall remain invested in compliance with Act 10 of 2016 of the General Assembly of the Commonwealth of Pennsylvania; and

NOW, THEREFORE, intending to be legally bound, the City and the Scranton Composite Pension Board hereby agree as follows:

SECTION 1. Receipt of Sale Proceeds; Use of Funds; and Requisitions.

a) The City hereby deposits into the Trust account an amount of approximately \$22,910,531.56. The Trust Deposit shall be deposited in the following amounts into the following accounts:

1. Upon agreement between the City and the Composite Pension Board, portion may be deposited into the Pension Contribution Account Discount Rate Reduction Subaccount, and/or a portion may be deposited into a separate OPEB Account. The balance remaining may be deposited into the Pension Contribution Account for the aggregate pension fund;

or

2. The Trust proceeds may be deposited in a Deposit Account with Webster Bank, N.A. at 100 Westminster Street, Providence R.I. 02903 as part of the issuance of nonelectoral debt pursuant to the Local Government Unit Debt Act (53 Pa. C.S., Chapters 80-82), designated generally as "Federally Taxable General Obligation Note, Series of 2018" in a principal amount not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000) for the purpose of a portion being deposited into the Pension Contribution Account Discount Rate Reduction Subaccount, and the balance remaining for purposes of funding the unfunded accrued pension liability of the City of Scranton Pension Funds as authorized in File of Council No _____, of 2018.

Notwithstanding anything in the foregoing to the contrary, amounts required to be transferred under this Agreement shall not commence until such time as the Mayor has certified to the Trustee that the City has retained a nationally recognized investment advisor to oversee the tactical and strategic allocation of pension fund investments; the City has retained a third party administrator to assist the composite pension board with the operation of the funds, including but

not limited to assisting with the processing of disability pension applications, and the Police and Fire Unions are in compliance with all material aspects of the January 30, 2015 Memoranda of Understanding, as amended by the Memoranda of Agreement filed in the Court of Common Pleas of Lackawanna County, No. 13-CV-6689 (the "Disability Pension Agreements").

The Business Administrator of the City of Scranton shall serve as Trustee.

Thereafter, an amount equal to Sale Proceeds shall be released from the Trust or the Deposit Account with Webster Bank and transferred to the Composite Pension Board for deposit into the Pension Contribution Account and application as follows:

1. Upon agreement between the City and the Composite Pension Board, a portion may be deposited into the Pension Contribution Account Discount Rate Reduction Subaccount, and/or a portion may be deposited into a separate OPEB Account.
2. The balance remaining shall be deposited into the Pension Contribution Account.

Any amounts received thereafter from the Escrowed Sale Proceeds shall similarly be deployed to reduce the liabilities of the pension funds and/or to create an OPEB account, and shall be deposited according to a schedule agreed upon by the Composite Pension Board, its investment advisor, and the City.

SECTION 2. Irrevocable.

The Trust created hereby shall be irrevocable. The Trustee, on behalf of the City {shall have an express lien on and security interest in} all amounts in the Escrow Fund until such amount has been used and applied in accordance herewith.

SECTION 3. Invalid Provision.

If any one or more of the covenants or agreements provided in this Trust Agreement on the part of the parties hereto to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Trust Agreement.

SECTION 4. Amendments.

No amendment may be made to this Trust Agreement unless it is in writing and signed by the parties to this Trust Agreement, unless the amendment:

- (i) cures a formal defect, omission, inconsistency or ambiguity in the Trust Agreement;
- (ii) does not materially adversely affect the long term financial interest of the City; or

(iii) is made to pledge additional security, including the deposit of additional amounts to the various accounts created hereunder; and

SECTION 5. Governing Law.

This Trust Agreement shall be governed by the applicable law of the Commonwealth of Pennsylvania.

SECTION 6. Notices.

All notices, demands and formal actions under this Trust Agreement shall be in writing and mailed, postage prepaid by first class mail, telecopied and delivered:

(a) As to the City:

City Solicitor
Law Department
City of Scranton
340 North Washington Avenue
Scranton, PA 18503

(b) As to the Scranton Composite Board:

Composite Pension Board Solicitor
Lawrence Durkin, Esquire
Durkin MacDonald, LLC
536 East Drinker Street
Dunmore, PA 18512

Notices sent by mail shall be deemed received within seventy-two (72) hours of posting.

IN WITNESS WHEREOF, the parties hereto have each caused this Trust and Escrow Agreement to be executed by their duly authorized officers and attested as of the first date above written.

CITY OF SCRANTON



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

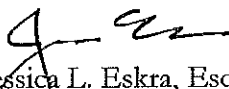
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 138, 2017 AN ORDINANCE "AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A PENSION TRUST AGREEMENT WITH THE COMPOSITE PENSION BOARD TO HOLD APPROXIMATELY \$22,910,531.56 OF THE PROCEEDS FROM THE SALE OF THE ASSETS OF THE SCRANTON SEWER AUTHORITY IN TRUST UNTIL SUCH TIME AS PENSION REFORMS HAVE BEEN ENACTED" BY PERMITTING THE CITY TO TRANSFER FUNDS REQUIRED PURSUANT TO THE ORIGINAL TRUST AGREEMENT TO THE COMPOSITE PENSION BOARD THROUGH THE ISSUANCE OF NONELECTORAL DEBT IN A PRINCIPAL AMOUNT OF APPROXIMATELY \$22,910,531.56.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

**CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229638
ENTITLED "STREET LIGHTING LEASE RESERVE FUNDS" FOR THE RECEIPT
AND DISBURSEMENT OF STREET LIGHTING LEASE RESERVE FUNDS.**

WHEREAS, this Special City Account is being established for the receipt and disbursement of Street Lighting Lease Reserve funds.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229638 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 8, 2018

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

Dear Attorney Eskra:

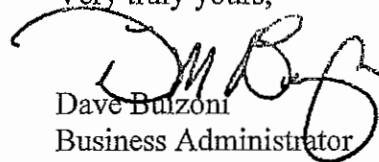
Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of the receipt and disbursement of Street Lighting Lease Reserve funds.

02.229638

Street Lighting Lease Reserve Funds

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,


Dave Bulzoni
Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Rebecca McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING
SPECIAL CITY ACCOUNT NO. 02.229638 ENTITLED "STREET LIGHTING LEASE
RESERVE FUNDS" FOR THE RECEIPT AND DISBURSEMENT OF STREET
LIGHTING LEASE RESERVE FUNDS.

Respectfully,

Jessica Eskra (s)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229639 ENTITLED "HIGHMARK HEALTHCARE RESERVE" FOR THE RECEIPT OF HIGHMARK HEALTHCARE FUNDS AND DISBURSEMENT OF THESE FUNDS FOR CITY OF SCRANTON HEALTHCARE COSTS.

WHEREAS, this Special City Account is being established for the receipt of Highmark Healthcare funds and the disbursement of these funds for the City of Scranton healthcare costs.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229639 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 8, 2018

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

Dear Attorney Eskra:

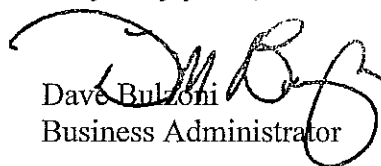
Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of the receipt of Highmark Healthcare funds and the disbursement of these funds for City of Scranton healthcare costs.

02.229639

Highmark Healthcare Reserve

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,


Dave Bulzoni
Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Rebecca McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING
SPECIAL CITY ACCOUNT NO. 02.229639 ENTITLED "HIGHMARK
HEALTHCARE RESERVE" FOR THE RECEIPT OF HIGHMARK HEALTHCARE
FUNDS AND DISBURSEMENT OF THESE FUNDS FOR CITY OF SCRANTON
HEALTHCARE COSTS.

Respectfully,

Jessica L. Eskra (1)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 21, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO IMPROVE DETERIORATING REAL PROPERTY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, AND PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

WHEREAS, the improvement of Deteriorating Real Property or Areas Tax Exemption Act, 72 P.S. 4711-101 et seq. enacted by the General Assembly of the Commonwealth of Pennsylvania authorizes local tax authorities to exempt improvements to certain deteriorating residential property and areas; and

WHEREAS, the New Home Construction Local Tax Abatement Act, 7; P.S. § 4754-1 et seq., enacted by the General Assembly of the Commonwealth of Pennsylvania authorizes local taxing authorities to exempt improvements to certain unimproved residential real property; and

WHEREAS, the City of Scranton, in an effort to expand its tax base, desires to further encourage improvement to deteriorating property and areas within the City of Scranton; and

WHEREAS, the City of Scranton desires to modify and expand its current program pursuant to said act thereby implementing Article VIII, Section 2(b)(iii) of the Pennsylvania Constitution; and

WHEREAS, pursuant to said act, the City of Scranton in conjunction with this Ordinance, shall hold a public hearing to determine and affix the boundaries of the deteriorating properties and areas for which the exemption shall be available; and

WHEREAS, the City of Scranton is desirous of having the School District of the City of Scranton and the County of Lackawanna; work together with the City for the purpose of implementing the policy goals contemplated in this Ordinance and the City has requested those two (2) local taxing authorities to adopt tax exemption consistent with those outlined in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON AS FOLLOWS:

SECTION 1. DEFINITIONS

The following words and phrases when used in this Ordinance shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

1. "Deteriorated property" means a dwelling unit located in the City of Scranton, as hereinafter provided, or a dwelling unit which has been or upon request is certified by a health, housing or building inspection agency as unfit for human habitation for rent withholding, or other health or welfare purposes, or has been the subject of an order by such an agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, Ordinances or regulations.

2. "Dwelling unit" means, unless otherwise defined in the Ordinance or Resolution providing for tax exemption, a house, apartment, or group of rooms intended for occupancy as separate living quarters by family or other groups or a person living alone, containing a kitchen or cooking equipment for the exclusive use of the occupants.
3. "Improvement" means repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating a structure so that it becomes habitable or attains higher standards of housing safety, health or amenity or is brought into compliance with laws, Ordinances or regulations governing housing standards; ordinary upkeep and maintenance shall not be deemed an improvement.

SECTION 2. EXEMPTION

1. Full ten (10) year tax exemption from real property shall be limited to:
 - a. The exemption schedule as established by this Ordinance; and
 - b. The assessment valuation attributable to the cost of construction of the improvement to the deteriorating residential property and area.
2. In all cases, the exemption from taxes shall be limited to that portion of the additional assessment attributable to the new construction and for which a separate assessment has been made by the Lackawanna County Board of Assessment Appeals, and for which an exemption has been separately requested.
3. No tax exemption shall be granted if the property owner does not secure the necessary and proper permits prior to construction.
4. No tax exemption shall be granted if the property owner is delinquent in the payment of real property taxes on any property within the City of Scranton at the time of application for the tax exemption.

SECTION 3. EXEMPTION SCHEDULE

1. The following real estate tax exemption schedule commence in the tax year immediately following the year in which the building permit is issued. For the ten (10) years for which the newly constructed improvement would otherwise be taxable, one hundred (100%) percent of the eligible assessment shall be exempted.
2. This exemption from taxes granted under this Ordinance shall be upon the newly constructed improvement on the deteriorating property and area residential property and shall not terminate upon the sale or exchange of the property, but shall continue for the full time originally granted.
3. If a deteriorating property and area containing a new improvement is granted tax exemption pursuant to this Ordinance, the property shall not, during the exemption period, be considered as a factor in assessing that value of other properties in the same area.
4. If the use of the deteriorating property and area at the time the exemption is granted is modified, terminated, or changed during the ten (10) year period in any way which would have affected the exemption if the property had been so used when the exemption was granted, then, at the election of the governing body of the City of Scranton, the exemption shall terminate as of the date the use was modified or terminated.

SECTION 4. PROCEDURE FOR OBTAINING EXEMPTION

1. Any person desiring tax exemption pursuant to this Ordinance shall apply to the City of Scranton at the time a building permit is secured. The application shall be in writing upon forms specified by the City of Scranton setting forth the following information.
 - a. The date the building permit was issued;
 - b. The parcel number must be included in the location of the property to be improved;
 - c. The cost of the improvement;
 - d. A verification that the property has been inspected by the Building Code Official or his agent;
 - e. Such additional information as the City of Scranton may require.
2. There shall be placed on the form application for building permits, the following:

NOTICE OF TAXPAYERS

Under the provisions of File to Council No. 57, 1996, as Amended you may be entitled to a property tax exemption on your contemplated new construction. An application for exemption may be secured from the Department of Licensing, Inspection and Permits and must be filed with the City at the time a building permit is secured.

3. A copy of the exemption requests shall be forwarded to the Lackawanna County Board of Assessment by the Building Code Official. The Board shall, after completion of the construction, assess separately, the improvement and the land upon which the new residential construction stands, calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by this ordinance, and notify the taxpayer and the local taxing authorities of the amounts of the assessment eligible for exemption.
4. The cost of construction per improvement to be exempted and the schedules of taxes exempted existing at the time of the initial request for tax exemption shall be applicable to that exemption request, and subsequent amendment to this Ordinance, if any, shall not apply to requests initiated prior to their adoption.
5. Appeals from the assessment and/or the amounts eligible for exemption may be taken by the City of Scranton or by the taxpayer as provided by law.

SECTION 5. ELIGIBLE AREAS

1. It is hereby determined and declared by City Council that the following portion of the City qualify and are hereby designated as areas eligible for tax exempt status;

The whole City of Scranton

SECTION 6. AMENDMENTS

No amendments to this Ordinance shall be effective unless consented to by Ordinance of the governing body of the City of Scranton.

SECTION 7. NON-PERMISSABLE

Any exemption made permissible under this Ordinance shall not be applied to any industrial, commercial or other business property.

SECTION 8. REPEALER

All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed.

SECTION 9. SEVERABILITY

If any sentence, clause, section, or part of this Ordinance is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality, or invalidity shall not effect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared as the intent of the Council of the City of Scranton that this Ordinance would have been adopted as such as if such unconstitutional, illegal, or invalid sentence, clause, section or part thereof had not been included herein.

SECTION 10. AUTOMATIC TERMINATION

This Ordinance shall automatically terminate ten (10) years from the effective date of this Ordinance. Any person who obtains an exemption hereunder shall be entitled to the entire exemption period of ten (10) years even if said ten (10) year period goes beyond the termination date.

SECTION 11. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act. No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 21, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO IMPROVE DETERIORATING REAL PROPERTY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, AND PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

Respectfully,

Jessica Eskra (s)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 22, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO STIMULATE RESIDENTIAL, COMMERCIAL AND OTHER BUSINESS ACTIVITY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" IN ORDER TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

WHEREAS, the Local Economic Revitalization Tax Assistance Act, 72 P.S. 4722 et seq. enacted by the General Assembly of the Commonwealth of Pennsylvania authorizes local taxing authorities to exempt improvements to certain residential, commercial and other business property; and

WHEREAS, the City of Scranton, in an effort to expand its tax base, desire to further encourage improvement and construction on residential, commercial and other business property with the City of Scranton; and

WHEREAS, the City of Scranton desires to modify and expand its current program pursuant to the Local Economic Revitalization Tax Assistance Act and thereby implementing Article VIII, Section 2(b) iii of the Pennsylvania Constitution; and

WHEREAS, pursuant to the Local Economic Revitalization Tax Assistance Act, the City of Scranton in conjunction with this Ordinance, shall hold a public hearing to determine and affix areas that are wholly or partially located within the City of Scranton for which the tax exemption shall be available; and

WHEREAS, the City of Scranton is desirous of having the School District of the City of Scranton and the County of Lackawanna work together with the City for the purpose of implementing the policy goals contemplated in this Ordinance and the City has requested these two (2) local tax authorities to adopt tax exemptions consistent with those outlined in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON AS FOLLOWS:

SECTION 1. DEFINITIONS

The following words and phrases when used in this Ordinance shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

1. **"Deteriorated property."** Any industrial, commercial or other business property owned by an individual, association or corporation, and located in the City of Scranton, as hereinafter provided, or any such property which has been the subject of an order by a government agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinance or regulations.
2. **"Improvement."** Repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating a deteriorated property so that it becomes habitable or attains higher standards of safety, health, economic use or amenity, or is brought into compliance with laws, Ordinances or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an improvement.

3. **"Local taxing authority."** A county, city, borough, incorporated town, township, institution district or school district having authority to levy real property taxes.
4. **"Municipal governing body."** A city, borough, incorporated town or township.
5. **"Other business activity."** Includes, but is not limited to, apartment to condominium conversions, condominium and townhouses where the title has not yet been transferred to homeowner from developer, new townhouses, new condominiums.

SECTION 2. EXEMPTION

1. Full ten (10) year tax exemptions from real property shall be limited to:
 - a. The exemption schedule as established by this Ordinance; and
 - b. The assessment valuation attributable to the cost of construction of the improvement to the deteriorating residential property and area.
2. In all cases, the exemption from taxes shall be limited to that portion of the additional assessment attributable to the new construction and for which a separate assessment has been made by the Lackawanna County Board of Assessment Appeals, and for which an exemption has been separately requested.
3. No tax exemption shall be granted if the property owner does not secure the necessary and proper permits prior to construction.
4. No tax exemption shall be granted if the property owner is delinquent in the payment of real property taxes on any property within the City of Scranton at the time of application for the tax exemption.

SECTION 3. EXEMPTION SCHEDULE

1. The following real estate tax exemption schedule commence in the tax year immediately following the year in which the building permit is issued. For the ten (10) years for which the newly constructed improvement would otherwise be taxable, one hundred (100%) percent of the eligible assessment shall be exempted.
2. This exemption from taxes granted under this Ordinance shall be upon the newly constructed improvement on the deteriorating property and area residential property and shall not terminate upon the sale or exchange of the property, but shall continue for the full time originally granted.
3. If a deteriorating property and area containing a new improvement is granted tax exemption pursuant to this Ordinance, the property shall not, during the exemption period, be considered as a factor in assessing that value of other properties in the same area.
4. If the use of the deteriorating property and area at the time the exemption is granted is modified, terminated, or changed during the ten (10) year period in any way which would have affected the exemption if the property had been so used when the exemption was granted, then, at the election of the governing body of the City of Scranton, the exemption shall terminate as of the date the use was modified or terminated.

SECTION 4.

PROCEDURE FOR OBTAINING EXEMPTION

1. Any person desiring tax exemption pursuant to this Ordinance shall apply to the City of Scranton at the time a building permit is secured. The application shall be in writing upon forms specified by the City of Scranton setting forth the following information.
 - a. The date the building permit was issued;
 - b. The parcel number must be included in the location of the property to be improved;
 - c. The cost of the improvement;
 - d. A verification that the property has been inspected by the Building Code Official or his agent;
 - e. Such additional information as the City of Scranton may require.
2. There shall be placed on the form application for building permits, the following:

NOTICE OF TAXPAYERS

Under the provisions of File to Council No. 57, 1996, you may be entitled to a property tax exemption on your contemplated new construction. An application for exemption may be secured from the Department of Licensing Inspections and Permits and must be filed with the City at the time a building permit is secured.

3. A copy of the exemption requests shall be forwarded to the Lackawanna County Board of Assessment by the Building Code Official. The Board shall, after completion of the construction, assess separately, the improvement and the land upon which the new residential construction stands, calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by this Ordinance, and notify the taxpayer and the local taxing authorities of the amounts of the assessment eligible for exemption.
4. The cost of construction per improvement to be exempted and the schedules of taxes exempted existing at the time of the initial request for tax exemption shall be applicable to that exemption request, and subsequent amendment to this Ordinance, if any, shall not apply to requests initiated prior to their adoption.
5. Appeals from the assessment and/or the amounts eligible for exemption may be taken by the City of Scranton or by the taxpayer as provided by law.

SECTION 5.

ELIGIBLE AREAS

1. It is hereby determined and declared by City Council that the following portion of the City qualify and are hereby designated as areas eligible for tax exempt status;

The whole City of Scranton

SECTION 6.

AMENDMENTS

No amendments to this Ordinance shall be effective unless consented to by Ordinance of the governing body of the City of Scranton.

SECTION 7. NON-PERMISSABLE

Any exemption made permissible under this Ordinance shall not be applied to any industrial, commercial or other business property.

SECTION 8. REPEALER

All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed.

SECTION 9. SEVERABILITY

In any sentence, clause, section, or part of this Ordinance is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality, or invalidity shall not effect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared as the intent of the Council of the City of Scranton that this Ordinance would have been adopted as such as if such unconstitutional, illegal, or invalid sentence, clause, section or part thereof had not been included herein.

SECTION 10. AUTOMATIC TERMINATION

This Ordinance shall automatically terminate ten (10) years from the effective date of this Ordinance. Any person who obtains an exemption hereunder shall be entitled to the entire exemption period of ten (10) years even if said ten (10) year period goes beyond the termination date.

SECTION 11. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act. No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 22, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO STIMULATE RESIDENTIAL, COMMERCIAL AND OTHER BUSINESS ACTIVITY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" IN ORDER TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

Respectfully,

Jessica Eskra (S)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

20018

AN ORDINANCE

AUTHORIZING THE TRANSFER OF A VACANT PARCEL OF PROPERTY OWNED BY THE CITY OF SCRANTON TO THE LACKAWANNA COUNTY LAND BANK IN ACCORDANCE WITH THE INTERGOVERNMENTAL COOPERATION AGREEMENT BY AND BETWEEN THE LAND BANK, LACKAWANNA COUNTY, CITY OF SCRANTON AND SCRANTON SCHOOL DISTRICT, PROPERTY MORE COMMONLY KNOWN AS 2935-2937 PITTSTON AVENUE, SCRANTON, PA 18505.

WHEREAS, the Land Bank, Lackawanna County, City of Scranton and Scranton School District all have joined to create stronger communities and in dealing with vacant, abandoned and tax delinquent properties, maintaining them and attempting to restore them to productive use; and

WHEREAS, the Lackawanna County Land Bank intends to market the parcel and get the property back on the tax rolls; and

WHEREAS, the Lackawanna County Land Bank at its October 12, 2018 meeting passed Resolution No. 18-031 approving the acquisition of the property located at 2935-2937 Pittston Avenue. A copy the Resolution and property description are attached hereto as Exhibit "A".

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that the City of Scranton is hereby authorized to transfer that parcel of land more commonly known as 2935-2937 Pittston Avenue, Scranton, Pa. 18505 to the Lackawanna County Land Bank.

SECTION 1. The appropriate City officials are authorized to execute any and all documents necessary to effectuate this transfer.

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 3. This Ordinance shall become effective immediately upon approval.

SECTION 4. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

RESOLUTION NO. 18-031
OF THE
LACKAWANNA COUNTY LAND BANK

RESOLUTION APPROVING THE ACQUISITION OF A PROPERTY FROM THE CITY OF SCRANTON

WHEREAS, in accordance with the Intergovernmental Cooperation Agreement, the County of Lackawanna, the City of Scranton and the Scranton School District wish to further the goals of the Lackawanna County Land Bank by returning vacant, tax delinquent, and abandoned property to productive use; and,

WHEREAS, the Land Bank Board of Directors in compliance with the Land Banks Policies and Procedures, based upon the recommendation of the staff in collaboration with the City of Scranton Advisory Committee as to the properties highest and best use; and,

WHEREAS, the City of Scranton owns a vacant parcel they wish to transfer ownership to the Lackawanna County Land Bank; and

WHEREAS, the Lackawanna County Land Bank intends to market said parcel for productive use and get the property back on the tax rolls,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Lackawanna County Land Bank that:

1. The Lackawanna County Land Bank hereby approves the acquisition of the following property from the City of Scranton

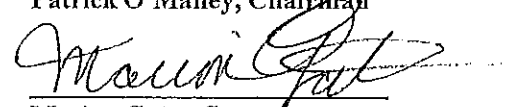
a.) 2935-2937 Pittston Avenue, Scranton PA, 18505

Pin #: 16717020037

The Chairman is authorized to execute an agreement, deed and all other documentation necessary to effectuate the purpose of this Resolution which shall contain such terms and conditions as the Land Bank Solicitor shall deem necessary or appropriate to protect the interests of the Land Bank

ADOPTED at a scheduled meeting of the Lackawanna County Land Bank held on October 12, 2018


Patrick O'Malley, Chairman


Marion Gatto, Secretary

**LAND BANK PROPERTIES FOR DISCUSSION
LAND BANK MEETING
OCTOBER 12, 2018**

ADDITIONAL PROPERTY FOR CONSIDERATION FOR ACQUISITION FROM THE CITY OF SCRANTON. (PROPERTY PURCHASE APPLICATIONS RECEIVED)

Parcel Address: 2935-2937 Pittston Avenue

Parcel Pin #: 16717020037

Dimensions: 90x60

Assessed Value: \$2950



*Land
Bank
Approved*

The Land Bank has received a request from the City of Scranton to transfer ownership of this City owned property. According to the correspondence received from the City, this parcel was donated to the City in 2006. The lot is big enough to build on.

There is interest in the property and we have received one (1) application for this parcel as follows:

A property purchase application was received on September 26, 2018 from Steven Coyne. Mr. Coyne would like to like to maintain it as greenspace for now. He would eventually like to build a home on the property.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

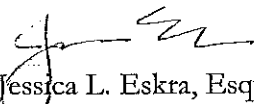
October 29, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AUTHORIZING THE TRANSFER OF A VACANT PARCEL OF PROPERTY OWNED BY THE CITY OF SCRANTON TO THE LACKAWANNA COUNTY LAND BANK IN ACCORDANCE WITH THE INTERGOVERNMENTAL COOPERATION AGREEMENT BY AND BETWEEN THE LAND BANK, LACKAWANNA COUNTY, CITY OF SCRANTON AND SCRANTON SCHOOL DISTRICT, PROPERTY MORE COMMONLY KNOWN AS 2935-2937 PITTSTON AVENUE, SCRANTON, PA 18505.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RECEIVED

OCT 29 2018

OFFICE OF CITY
COUNCIL CITY CLERK

RESOLUTION NO. _____

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF SCRANTON AND LOCAL UNION NO. 60 OF THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, AFL-CIO.

WHEREAS, except as otherwise explicitly provided by this Memorandum of Understanding, all terms and conditions of the parties' 2008 – 2021 Collective Bargaining Agreement shall remain in full force and effect; and

WHEREAS, the City and Local Union No. 60 of the International Association of Fire Fighters, ALF-CIO desire to modify certain provisions of the parties' 2008-2021 Collective Bargaining Agreement (CBA) regarding policies for the Independent Medical Examination Panel of Physicians for disability pensions, Modified Duty, Sick Time Reimbursement, and EMT/EMR/Paramedic/Nurse Certification, as contained in the Memorandum of Understanding attached hereto as Exhibit "A" and incorporated by reference herein; and

WHEREAS, except as specifically provided herein, all modifications to the 2008-2021 Collective Bargaining Agreement shall be effective with the pay period next following the mutual ratification of this Memorandum of Understanding a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference thereto.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City officials are authorized to execute and enter into a Memorandum of Understanding by and between the City of Scranton and Local Union No. 60 of the International Association of Fire Fighters, AFL-CIO attached hereto as Exhibit "A" and incorporated herein by reference thereto.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
THE CITY OF SCRANTON
AND
LOCAL UNION NO 60
OF THE INTERNATIONAL ASSOCIATION
OF FIRE FIGHTERS, AFL-CIO

It is hereby agreed by and between the City of Scranton ("City") and Local Union No. 60 of the International Association of Fire Fighters ("Union") as follows:

1. UNAFFECTED PROVISIONS

Except as otherwise specifically provided by this Memorandum of Understanding, all terms and conditions of the parties' 2008-2021 Collective Bargaining Agreement ("CBA") shall remain in full force and effect.

2. EFFECTIVE DATE OF MODIFICATIONS

Except as specifically provided herein, all modifications of the CBA shall become effective with the pay period next following the mutual ratification of this Memorandum of Understanding.

3. IME PANEL

A. The panel of physicians attached hereto as Exhibit A shall be used as the panel of specialist physicians to determine whether firefighters are entitled to disability pensions, in

accordance with Paragraph 8 of the Memorandum of Agreement dated March 11, 2016 ("Mandamus Action Settlement") and the CBA. The panel of physicians attached hereto as Exhibit A can be amended upon mutual agreement of the City and the Union. In the event one side or the other wishes to amend the panel, and there is no agreement, said dispute may be referred to arbitration, consistent with the terms of the CBA.

B. The City and the Pension Board shall split the cost of the disability pension application process, including but not limited to, the fees of the examining physicians and the third party administrator, at this time being VocRehab.

4. MODIFIED DUTY

Consistent with the terms of the CBA, as reflected in Paragraph 11 of the January 30, 2015 Memorandum of Understanding ("Second Extension Agreement"), the parties agree to the following Modified Duty Policy:

The policy outlined in this section shall apply to all injuries or illnesses incurred by member of the bargaining unit, regardless of whether those injuries or illnesses are work related.

A. An employee who is temporarily unable to perform, without restriction or limitation, all duties and responsibilities of his/her position may be required to perform "modified duty" in strict accordance with the terms of this policy.

B. As used in this Policy, the term "modified duty" shall mean the temporary or part time employment duties and responsibilities of a lesser degree and/ or nature than those historically performed by the temporarily disabled employee, but are only of the scope and nature traditionally performed by fully capable members of the bargaining unit. Such duties shall be non-confrontational in nature, shall, to the extent possible, be on the same shift as the

Fire Fighter was working at the time of his injury and shall be consistent with the rank of the injured bargaining unit member. Under no circumstances shall "modified duty" include, in whole or in part, employment duties that are demeaning to the disabled employee, that are unnecessary to the operation of the fire department or the City, or that are intended solely for the purpose of "make work" tasks. Under no circumstances may modified duty activities be outside the employment duties historically performed by the bargaining unit. The employee shall never be required or permitted to perform "modified duty" where either the nature of the duties or the physical limitations of the disabled employee would in any manner or degree expose either that employee or any other member of the bargaining unit to danger, or threat of same, of any nature, or where such duties are performed, or the performance of same, by the disabled employee would violate the contractual rights of any other member of the bargaining unit.

Consistent with the above, the parties have agreed to modified duty job descriptions, attached hereto as Exhibit B.

C. The determination of whether, and to the extent to which (if at all), a disabled employee may perform "modified duty" work shall in the first instance be made in writing by the employee's certified/licensed treating physician. If a difference of opinion on that issue exists between the employee's treating physician and a certified/licensed Physician designated by the City, the employee shall submit to an examination by a third certified/licensed physician, the fee of which shall be paid by the City, agreed upon by the parties who will render an opinion as to whether, and the extent to which (if at all), a disabled employee may perform "modified duty" work within the meaning of this Policy. If the parties cannot reach agreement on the identity of the third certified/licensed physician, the certified/licensed treating physician and that physician

designated by the City shall be requested to designate a third certified/licensed physician. The decision of the third certified/licensed physician shall be final and binding on all concerned.

D. An employee who is performing “modified duty” assignments under this Policy shall, upon prior notice to the Department, be permitted, without loss of pay or benefits, reasonable time during the workday to attend a medical or rehabilitation appointment. Employees who are performing “modified duty” as a result of a non-work related injury or illness shall make every reasonable effort to schedule appointments outside of his/her normal working day shift.

E. The employee shall be required to provide the City with periodic reports from the certified/licensed attending physician describing the extent and anticipated duration of his recuperation and / or rehabilitation.

F. Nothing in this Policy shall serve to diminish or in any manner waive the affected employees’ rights under any applicable law.

G. Employees who are performing modified duty as a result of a disability incurred in the performance of their duties shall continue for the purposes of taxation to be carried as receiving Heart & Lung Act benefits for the duration of the disability.

H. After an employee has performed “modified duty” for a period of six (6) consecutive months, the City shall have the option of removing him/her from “modified duty; provided, however, that this should not be read as guaranteeing employees six months’ of modified duty if changed circumstances (e.g., full recovery) warrant removal from modified duty. Modified duty positions are intended to provide a transition period for an employee who is sick (ill) or injured to gradually return to full duties, and not to create permanent positions consisting of only portions of the duties of established bargaining unit positions.

5. SICK TIME REIMBURSEMENT

The City will restore to all employees who donated leave to Caroline Janczak all hours donated, whether used or not. In addition, the donation of such leave, whether used or not, will not be held against employees for sick day bonus eligibility.

In addition, Janczak will have her sick leave bank credited for all time used.

The above is not intended to establish a precedence or practice between the parties.

6. EMT/EMR/PARAMEDIC/NURSE CERTIFICATION

Section 8 of the Second Extension Agreement will be modified to provide that EMT/EMR/Paramedic/Nurse certification moneys shall be calculated and made part of the hourly wage effective January 1, 2019.

For those who are already in the certification cycle, such payments will be paid under the current system, but prorated.

As soon as is practicable, the City and Union shall meet to discuss revision of Section 8 of the Second Extension Agreement.

IME Physician Panel List
City of Scranton

Oncology

1. Hematology and Oncology of NEPA
1100 Meade Street
Dunmore, PA 18512
570-342-3675
Exam Fee – Current Medicare rate - \$1,200.00 per hour
Also depends on the level of disability, and amount of work involved.
2. Maged Khalil, MD
Hematology and Oncology of Allentown
1240 S. Cedar Crest Blvd
Allentown, PA 18103
610-402-7880
Exam Fee – Current Medicare rate - \$1,200.00 per hour
Also depends on the level of disability, and amount of work involved.
3. Thomas E. LeVoyer, MD
Robert Ozols, MD
Fox Chase Center
333 Cottman Avenue
Philadelphia, PA 19111
215-728-6900
Exam Fee – Current Medicare rate- \$1,200.00 per hour
Also depends on the level of disability and amount of work involved.
4. Stephen Shore, MD
111 Presidential Blvd
Bala Cynwyd, PA
610-492-5900
610-660-9930
Exam Fee \$1,575.00
No Show Fee \$ 750.00

5. Brian Wojciechowski, MD

**240 Centronia Road
Suite 1205
Allentown, PA 18104
866-288-0808**

Exam Fee	\$1,800.00
No Show Fee	\$1,500.00
Cancellation Fee – 72 Hours	\$1,500.00
Cancellation Fee – 7 business days	\$1,000.00

Orthopedics

1. Harry Schmaltz, MD

**Coordinated Health, Scranton Orthopedics
334 Main Street
Suite 1
Dickson City, PA 18519
570-307-1767**

Exam Fee	\$1,500.00
Addendum Fee	\$ 300.00 per hour
Narrative Report	\$ 300.00
Depositions (60 minutes)	\$2,500.00
Video Deposition	\$3,000.00
No show Fee	\$1,500.00

Cancellation/rescheduling with 2 weeks of Exam requires a \$1,250.00 forfeiture of fees

Cancellation/rescheduling of deposition will result in 50% forfeiture of fees regardless of when cancelled or rescheduled. Cancellation within one week of deposition will result in 100% forfeiture of fee.

2. Kevin Anbari, MD

**OAA Specialists
250 Centronia Road
Suite 303
Allentown, PA 18104
610-973-6200**

Exam Fee	\$1,600.00
No Show Fee	\$1,600.00

Cancellation/rescheduling with 2 business days of scheduled Exam will result in 75% forfeiture of fees. 5 business days will result in 25% forfeiture of fees.

3. Gregory Menio, MD
Mountain Valley Ortho
600 Plaza Court
East Stroudsburg, PA 18301
570-421-7020

Exam/Report Fee	\$1,000.00 - \$900 prepay
Addendum Fee	\$ 200.00-\$400.00
Depositions	\$3,200.00
No show Fee	\$1,000.00
Cancellation within 48 hours	\$400.00

Internal Medicine

1. William Dempsey, MD
The Wright Center for Primary Care
1145 Northern Boulevard
S. Abington Township, PA 18411
570-585-1300

Exam Fee - Current Medicare Rate \$1,200.00 per hour

Also depends on disability, amount of records and amount of work involved.

2. Peter Cognito, MD
Physicians Health Alliance
802 Jefferson Avenue
Scranton, PA 18510
570-346-7331

Exam Fee – Current Medicare Rate \$1,200.00 per hour

Also depends on the disability, amount of records, and amount of work involved.

3. Steven Feinstein, MD
222 Presidential Blvd
Bala Cynwyd, PA 19004
610-660-9930

Exam Fee	\$ 1,100.00
No show Fee	\$ 550.00
Late Cancellation Fee	\$ 550.0

4. Patrick Connors, MD
2232 Pittston Avenue
Scranton, PA 18505
570-969-6327

Exam Fee	\$1,000.00
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Cancellation Fee (less than 5 days) \$500.00

Neurology/Neurological Surgery

1. Michael D. Kim, MD
Seth Jones, MD
Kevin Madden, MD
Scranton Neurological Associates
802 Jefferson Avenue
Floor 5
Scranton, PA 18510
570-348-1118
Exam Fee/Report \$110.00 - \$275.00 hour -also depends on
disability, amount of records and amount of work involved.
2. Daniel Ackerman, MD
St. Luke's
240 Centronia Road
Allentown, PA 18104
484-526-5210
Exam Fee - Current Medicare rates - also depends on the level of disability, and
amount of work involved.
3. David Tabby, MD
301 E. City Avenue
Suite 325
Bala Cynwyd, PA 19004
610-664-2584
Exam Fee/Report – Current Medicare rates – also depends on the level of disability
and the amount of work involved.
4. Vithalbhai Dhaduk, MD
235 Main Street, Suite 115
Dickson City, PA 18519
Exam Fee \$2,000.00 to be paid 2 wks prior to appt.
No show fee \$1,000.00
5. Dr. Bragan (travels to Allentown)
111 Presidential Blvd
Bala Cynwyd, PA 19004
610-660-9930

Exam Fee	\$1,700.00
No Show Fee	\$1,700.00
Cancellation Fee within 7-3 days	\$1,050.00
Cancellation fee within 3 days	\$1,700.00

6. Richard Bennett, MD

5401 Old York Road
Philadelphia, PA 19141-3046
610-660-9930

Exam Fee	\$ 1,460.00
No Show Fee	\$ 700.00
Cancellation Fee within 3-5 days	\$ 250.00

Psychology

1. Richard Fischbein, MD

562 Wyoming Avenue
Kingston, PA 18704
570-552-3780

Exam Fee	\$2,500.00
Report Fee	\$ 630.00/hour
Psychological Testing (if needed)	\$ 400.00 per test
Deposition Fee	\$3,500.00 – half day flat fee \$7,000.00 -full day flat fee

2. James W. Truscott, PhD

John Heinz Institute of Rehabilitation
150 Mundy Street, Ste 5
Wilkes-Barre, PA 18702

Exam Fee	\$2,500.00
Report Fee	\$ 630.00/hour
Psychological Testing (if needed)	\$ 400.00 per test

3. Robert Cohn, MD

111 Presidential Blvd
Bala Cynwyd, PA 19004 (travels to Allentown)
610-660-9930

Exam Fee	\$ 2,250.00
No Show Fee	\$ 2,000.00
Cancellation Fee	\$ 700.00

JOB DESCRIPTION

JOB TITLE: Scranton Fire Department – Inspector's Office/Aid

Position: Inspector's Office/Aid
Name of Company: Scranton Fire Department
Address of Position: 340 North Washington Avenue
Scranton, PA
Hours: Regular platoon work schedule or regular office hours for
non-suppression
24 hours, 7 am – 7 am
Telephone Number: (570) 348-4132
Person to Contact: Chief Patrick P. DeSarno
Exertion Level: Light Work (Modified Duty- Temporary)

Job Description Summary:

*It is noted that this is a temporary position and can be modified to an individual's physical limitations. This is not a permanent position. The firefighters will follow the chain of command and report to the Deputy Chief.

The following are job duties and responsibilities of the Inspector's Office/Aid:

- In the fire station, the aid will provide assistance to the Deputy Chief as it relates to clerical duties such as answering the telephone, completing reports regarding emergency situations, utilizing a computer to complete paperwork, and filing. The aid may be required to provide assistance to other personnel within the headquarters. Tasks in which the aid may be required to perform may include housekeeping duties such as cleaning tools, vacuuming floors, mopping and sweeping floors, cleaning bathrooms, assisting with apparatus readiness, and inventorying supplies after returning from an emergency. Supplies which will be inventoried include housekeeping supplies, hand tools, hoses, and fire equipment. These job duties are completed on each shift and as directed by the Deputy Chief.
- * When performing modified duty, all employees will be required to attend mandatory updates in a classroom setting.

Page 2:
Inspector's Office/Aid:

PHYSICAL DEMANDS OF JOB:

A. In a 24-hour day, the worker spends time in the following activity:

TOTAL AT ONE TIME: It is noted: (Activity can be modified depending on physical capabilities)

1. SIT – 1 - 2 hours (may change positions as needed)
2. STAND – 2 hours (may change positions or will be provided with a break)
3. WALK – 2 hours (may change positions or will be provided with a break)
4. DRIVE – 10 – 15 minutes

TOTAL DURING A 24-HOUR DAY: It is noted: (Activity can be modified depending on physical capabilities)

1. SIT - 2 hours (may change positions as needed)
2. STAND - 4 – 6 hours (may change positions or will be provided with a break)
3. WALK - 4 – 6 hours (may change positions or will be provided with a break)
4. DRIVE - 1 hour

B. The heaviest weight the employee lifts while sitting or standing in the same position is:

The weight would be approximately 30 pounds and would include, personal protective equipment to include a helmet, a coat, pants, shoes, gloves, and a breathing apparatus. Other items would include cleaning supplies, fire equipment, house supplies, hand tools, a two way radio, and a clipboard.

Task being performed: Performing job duties, providing help to the Deputy Chief with clerical duties, and performing other activities within the headquarters.

C. The heaviest weight the employee carries while walking from place to place is:

The object being carried is: 30 pounds and would include the personal protective equipment.

Task being performed: While handling protective equipment and cleaning supplies.

Page 3:

Inspector's Office/Aid:

- D. During the course of performing the job, which of the following is required:
Rate the Frequency in a 24-hour day.

NP - Not Present

R – Rarely less than 1/3 of the time

O - Occasionally up to 1/3 of the time

F - Frequent up to 2/3 of time

C - Continuous more than 2/3 of time

- | | |
|-------------------------------|-----------------------------|
| 1. Simple Grasping – Right: | F (may use either hand) |
| 2. Simple Grasping – Left: | F (may use either hand) |
| 3. Push/Pull – Right: | R (a door) |
| 4. Push/Pull – Left: | R (a door) |
| 5. Fine Manipulation – Right: | O – F (may use either hand) |
| 6. Fine Manipulation – Left: | O – F (may use either hand) |

- E. During the course of performing the job, which of the following is required; how often,
and how long per day:

- | | |
|---------------------------|--|
| 1. Bend (at waist): | R – O |
| 2. Squat (at knees): | R – O |
| 3. Climb (ladder/stairs): | O (one flight within the headquarters) |
| 4. Reach over Shoulder: | N/A |
| 5. Kneel: | R |
| 6. Crawl: | N/A |
| 7. Foot Controls: | R – O |

Employer Signature: _____ Date: _____

Chief Pat DeSarno

Union Signature: _____ Date: _____

Signature: _____ Date: _____

Carmine Abraham, MS, CRC, LPC
Vocational Case Manager, PA Advocates Inc.

Page 4:
Inspector's Office/Aid:

Physician's Signature: _____ Date: _____
Dr.

APPROVED: _____

NOT APPROVED: _____

Physician Comments:

JOB DESCRIPTION

JOB TITLE: Scranton Fire Department – Aid

Position:	Scranton Fire Department Fire Department Aid
Name of Company:	Scranton Fire Department
Address of Position:	340 North Washington Avenue Scranton, PA
Hours:	Regular platoon work schedule or regular office hours for non-suppression
Telephone Number:	(570) 348-4132
Person to Contact:	Chief Patrick P. DeSarno
Exertion Level:	Light Work (Modified Duty- Temporary)

Job Description Summary:

*It is noted that this is a temporary position and can be modified to an individual's physical limitations. This is not a permanent position. The firefighters will follow the chain of command and report to the Assistant Chief.

The following are job duties and responsibilities of the Scranton Fire Department Aid:

- In the fire station, the aid will provide assistance to the Assistant Chief as it relates to clerical duties such as answering the telephone, completing reports regarding emergency situations, utilizing a computer to complete paperwork, and filing.
- In the fire station, the aid may be required to provide assistance to the Chief as it relates to clerical duties such as answering the telephone, completing reports regarding emergency situations, utilizing a computer to complete paperwork and filing. The aide may be required to provide assistance to other personnel within the headquarters. Tasks in which the aid may be required to provide assistance may include housekeeping duties such as cleaning tools, vacuuming floors, mopping and sweeping floors, cleaning bathrooms, assisting with apparatus readiness, and inventorying supplies after returning from an emergency. Supplies which will be inventoried include housekeeping supplies, hand tools, hoses, and fire equipment. These job duties are completed on each shift and as directed by the supervisor.

* When performing modified duty, all employees will be required to attend mandatory updates in a classroom setting.

Page 2:

Scranton Fire Department Aid:

PHYSICAL DEMANDS OF JOB:

A. In a 24-hour day, the worker spends time in the following activity:

TOTAL AT ONE TIME: It is noted: (Activity can be modified depending on physical capabilities. Activities will also vary depending if responding to an emergency situation)

1. SIT – 1 - 2 hours (may change positions as needed)
2. STAND – 2 hours (may change positions or will be provided with a break)
3. WALK – 2 hours (may change positions or will be provided with a break)
4. DRIVE – 10 – 15 minutes (when completing errands)

TOTAL DURING A 24-HOUR DAY: It is noted: (Activity can be modified depending on physical capabilities and will vary depending if responding to an emergency situation)

1. SIT - 2 hours (may change positions as needed)
2. STAND - 4 – 6 hours (may change positions or will be provided with a break)
3. WALK - 4 – 6 hours (may change positions or will be provided with a break)
4. DRIVE - 1 hour (when completing errands)

B. The heaviest weight the employee lifts while sitting or standing in the same position is:

The weight would be approximately 30 pounds and would include, personal protective equipment to include a helmet, a coat, pants, shoes, gloves and a breathing apparatus. Other items would include cleaning supplies, fire equipment, house supplies, hand tools, a two way radio, and a clipboard.

Task being performed: Performing job duties, providing help to the Assistant Chief with clerical duties, and performing other activities within the headquarters.

C. The heaviest weight the employee carries while walking from place to place is:

The object being carried is: 30 pounds and would include the personal protective equipment.

Task being performed: While handling protective equipment and cleaning supplies.

Page 3:

Scranton Fire Department Aid:

- D. During the course of performing the job, which of the following is required:
Rate the Frequency in a 24-hour day.

NP - Not Present

R – Rarely less than 1/3 of the time

O - Occasionally up to 1/3 of the time

F - Frequent up to 2/3 of time

C - Continuous more than 2/3 of time

- | | |
|-------------------------------|-----------------------------|
| 1. Simple Grasping – Right: | F (may use either hand) |
| 2. Simple Grasping – Left: | F (may use either hand) |
| 3. Push/Pull – Right: | R (a door) |
| 4. Push/Pull – Left: | R (a door) |
| 5. Fine Manipulation – Right: | O – F (may use either hand) |
| 6. Fine Manipulation – Left: | O – F (may use either hand) |

- E. During the course of performing the job, which of the following is required; how often, and how long per day:

- | | |
|---------------------------|--|
| 1. Bend (at waist): | R – O |
| 2. Squat (at knees): | R – O |
| 3. Climb (ladder/stairs): | O (one flight within the headquarters) |
| 4. Reach over Shoulder: | N/A |
| 5. Kneel: | R |
| 6. Crawl: | N/A |
| 7. Foot Controls: | R – O (when operating a company vehicle) |

Employer Signature:

Date:

Chief Pat DeSarno

Union Signature:

Date:

Signature:

Date:

Carmine Abraham, MS, CRC, LPC
Vocational Case Manager, PA Advocates Inc.

Page 4:
Scranton Fire Department Aid:

Physician's Signature: _____ Date: _____
Dr.

APPROVED: _____

NOT APPROVED: _____

Physician Comments:

JOB DESCRIPTION

JOB TITLE: Scranton Fire Department – Office/Clerical/Pre-Planner

Position: Scranton Fire Department
Office/Clerical Worker/Pre-Planner

Name of Company: Scranton Fire Department

Address of Position: 340 North Washington Avenue
Scranton, PA

Hours: Regular platoon work schedule or regular office hours for
non-suppression
24 hours, 7 am – 7 am
(Breaks: 2 – 10 minute breaks and ½ lunch)

Telephone Number: (570) 348-4132

Person to Contact: Chief Patrick P. DeSarno

Exertion Level: Light Work (Modified Duty - Temporary)

Job Description Summary:

*It is noted that this is a temporary position and can be modified to an individual's physical limitations. This is not a permanent position.

The following are job duties and responsibilities of the Scranton Fire Department – Clerical/Office/Pre-Planner:

- The job duties related to clerical and office work will be performed in an office environment. The employee would be stationed at a desk area containing an ergonomic chair, a computer, a keyboard, a mouse, and a telephone. The office is stationed on the second floor of the building. A ramp and elevator are available.
- In the office, the employee will perform clerical functions such as answering the telephone, directing telephone calls, taking and relaying messages to other members of the department, and filing. The employee will schedule fire prevention and fire drill activities. While performing the job duties, the employee will utilize a computer, a keyboard, and a mouse in order to enter information into the computer. The data entry does not need to be performed at a fast pace. The employee would review fire incident reports, modify reports, and enter missing information into the reports.

Office/Clerical/Pre-Planner:

- The employee would assist fire inspectors in completing field work within City limits. The employee would be driving approximately 10 minutes to a location. The employee may perform this activity alone or with another worker. Pre-planning is completed in order to document and describe the layout of a commercial building. This documentation assists firefighters in knowing the contents and layout of a building when fighting a fire. When completing the layout of a building, information is documented on forms utilized by the firefighters. Information documented on the forms would include the location of sprinkler systems, if there is a hatch on the roof of a building, where doors are located, where hazards are located, and other such information. The employee would sketch, measure, take photos, walk through doors and walk from room to room in order to document this information. As part of this process, there may be ladders or stairs to climb. If this task cannot be performed, another employee will accompany the employee in order to assist in completion of the pre-planning and to perform the climbing of stairs or ladders. The pre-planning is completed for both the inside and the outside of a building. Once the pre-planning is completed the employee would return to the office in order to update existing pre-plans or create a new pre-plan for a commercial building. The employee would scan the plans and photos into the computer and enter information obtained into the computer.
- * When performing modified duty, all employees will be required to attend mandatory updates in a classroom setting.

PHYSICAL DEMANDS OF JOB:

A. In a 24-hour day, the worker spends time in the following activity:

TOTAL AT ONE TIME: It is noted: (Activity can be modified depending on physical capabilities. Changing positions would be allowed during the work shift.)

- | | | |
|----|---------|--|
| 1. | SIT – | 1 - 2 hours or may change positions as needed. |
| 2. | STAND – | When performing office work, may stand as needed.
When performing pre-planning, 1 -2 hours, however, may sit or take a break if needed. |
| 3. | WALK – | When performing office work, 1 -2 hours, however, may sit or take a break if needed. |
| 4. | DRIVE – | 10 – 15 minutes (when traveling to complete pre-plans) |

Page 3:

Office/Clerical/Pre-Planner:

TOTAL DURING A 24-HOUR DAY:

It is noted: (Activity can be modified depending on physical capabilities. Changing of positions would be allowed during the work shift.)

1. SIT - 8 hours or may change positions as needed.
2. STAND - When performing office work, may stand as needed.
When performing pre-planning, 2 – 4 hours, however, may sit or take a break if needed.
3. WALK - When performing office work, may walk as needed.
When performing pre-plans, 2 – 4 hours, however, may sit or take a break if needed.
4. DRIVE - 1 hour (when traveling to complete pre-plans)

- B. The heaviest weight the employee lifts while sitting or standing in the same position is:

The weight would be less than 10 pounds and would include, pen or paper, a clipboard, paperwork, a telephone receiver, files, a tape measure and a camera.

Task being performed: Performing job duties, clerical work, and pre-planning.

- C. The heaviest weight the employee carries while walking from place to place is:

The object being carried is: a clipboard, paperwork, a camera, a tape measure, and files.

Task being performed: clerical work and pre-planning.

- D. During the course of performing the job, which of the following is required:
Rate the Frequency in a 24-hour day.

NP - Not Present

R – Rarely less than 1/3 of the time

O - Occasionally up to 1/3 of the time

F - Frequent up to 2/3 of time

C - Continuous more than 2/3 of time

1. Simple Grasping – Right: F (may use either hand)
2. Simple Grasping – Left: F (may use either hand)
3. Push/Pull – Right: R (a door)
4. Push/Pull – Left: R (a door)
5. Fine Manipulation – Right: O – F (may use either hand)
6. Fine Manipulation – Left: O – F (may use either hand)

Page 4:

Office/Clerical/Pre-Planner:

E. During the course of performing the job, which of the following is required; how often, and how long per day:

- | | | |
|----|------------------------|-----------------------------|
| 1. | Bend (at waist): | R – O (can be accommodated) |
| 2. | Squat (at knees): | R – O (can be accommodated) |
| 3. | Climb (ladder/stairs): | R (can be accommodated) |
| 4. | Reach over Shoulder: | N/A |
| 5. | Kneel: | R (can be accommodated) |
| 6. | Crawl: | N/A |
| 7. | Foot Controls: | R – O |

Employer Signature: _____ Date: _____
Chief Pat DeSarno

Union Signature: _____ Date: _____

Signature: _____ Date: _____
Carmine Abraham, MS, CRC, LPC
Vocational Case Manager, PA Advocates Inc.

Physician's Signature: _____ Date: _____
Dr.

APPROVED: _____

NOT APPROVED: _____

Physician Comments:



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

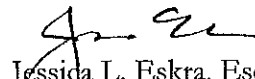
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND
OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A
MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF
SCRANTON AND LOCAL UNION NO. 60 OF THE INTERNATIONAL
ASSOCIATION OF FIRE FIGHTERS, AFL-CIO.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN LOCAL LODGE 2462 AND THE CITY OF SCRANTON AND THE SCHOOL DISTRICT OF THE CITY OF SCRANTON REGARDING THE SINGLE TAX OFFICE COLLECTIVE BARGAINING AGREEMENT.

WHEREAS, accept as otherwise specifically provided by this Memorandum of Understanding (MOU), all terms and conditions of the parties' 2013-2017 Collective Bargaining Agreement shall remain in full force and affect for the duration of the successor Agreement provided by this Memorandum of Understanding; and

WHEREAS, the 2013-2017 Collective Bargaining Agreement shall be extended for a period of three (3) years, commencing on January 1, 2018 and terminating on December 31, 2020; and

WHEREAS, except as specifically provided herein, all modifications to the 2013-2017 Collective Bargaining Agreement shall become effective with the pay period next following the mutual ratification of this Memorandum of Understanding a copy of which is attached hereto as and incorporated herein by reference thereto as Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City officials are authorized to execute and enter into a Memorandum of Understanding between Local Lodge 2462 and the City of Scranton and the School District of the City of Scranton regarding the Single Tax Office Collective Bargaining Agreement attached hereto as Exhibit "A" and incorporated herein by reference thereto.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF HUMAN RESOURCES

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4246 • FAX: 570-348-4202

**MEMORANDUM OF UNDERSTANDING
THE TAX COLLECTOR OF THE SCRANTON SINGLE TAX OFFICE
ON BEHALF OF
THE CITY OF SCRANTON, THE SCHOOL DISTRICT OF THE CITY OF SCRANTON
AND COUNTY OF LACKAWANNA
AND
LOCAL LODGE 2462 AFFILIATED WITH DISTRICT I OF THE INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS, AFL-CIO
2018 – 2020**

1. UNAFFECTED PROVISIONS

Except as otherwise specifically provided by this Memorandum of Understanding, (MOU) all terms and conditions of the parties' 2013 – 2017 Collective Bargaining Agreement shall remain in full force and effect for the duration of the successor agreement provided by this Memorandum of Understanding.

2. EXTENSION OF THE COLLECTIVE BARGAINING AGREEMENT

The 2013 – 2017 Collective Bargaining Agreement shall be extended for a period of three (3) years, commencing on January 1, 2018 and terminating on December 31, 2020.

3. EFFECTIVE DATE OF MODIFICATIONS

Except as specifically provided herein, all modifications to the 2013 – 2017 Collective Bargaining Agreement shall become effective with the pay period next following the mutual ratification of this Memorandum of Understanding.

MUTUALLY AGREEABLE TERMS

- Article XIII: SENIORITY, Section 7.B:** All job openings in the Tax Office shall be bulletined. Such bulletins will be posted on the Tax Office bulletin boards for three (3) working days. The bulletins will state the number of jobs to be filled, the shift on which the work is to be done, the rates of pay for each job and the qualifications required to fill the position. Any employee bidding for more than one job shall indicate the order of preference on the bulletin signed. If the employee is the senior bidder for more than one job, the employee shall have the opportunity to qualify only for the job ranked highest in the employee's preference. The qualified bidder

with the highest seniority shall be selected to fill the job for a trial period of not less than ten (10) working days. All transfers as a result of this trial shall be temporary until satisfactory completion of the trial period involved. At the conclusion of the trial period, the employee's performance during the trial period will be reviewed by a committee comprised of union members and Tax Office management.

2. **Article XVIII SICK LEAVE & LEAVE OF ABSENCE: Section 1:** Sick leave – twelve (12) days – however, it will accumulate at the rate of one (1) day per month, per year. This will constantly accumulate. If no days are taken off, employees may accumulate up to a maximum number of one hundred twenty-eight (128) working days.

Any employee who is off work as a result of any illness or injury for more than three consecutive days or who exhibits sick leave abuse shall be required to furnish a doctor's certificate concerning the illness or injury. In addition, the Employer may, at its discretion, order an evaluation of the employee's condition by medical personnel of the Employer's choosing at the Employer's expense. However, if any employee does come down with a serious illness (with proof) during the current year, the Employer shall waive these rules and protect the employee for up to forty- five (45) working days.

It is further acknowledged that when an employee shall request a leave of absence pursuant to Article XVIII, Section 2 that it is not a prerequisite that the employee use up all personal and vacation days.

Any employee, who has accumulated sick leave as of the date of his/her retirement, will be paid their daily rate for the first 30 days accumulated. In addition, for time accumulated beyond 30 days and up to 120 days, (i.e. day 31 through and including day 120), employees shall be paid twenty-five dollars (\$25.00) per day to a maximum of two thousand two hundred fifty dollars (\$2,250).

3. **Article XX: DEATH IN FAMILY:** In the case of the death of a member of the immediate family of an employee, the Employer, will protect such employee against loss of his wages on his regular job for up to four (4) scheduled work days lost because of such death, during the period beginning with the date of death and ending within ten (10) days after the date of burial. Immediate family shall be defined as: wife, husband, child, step-child, mother, father, step-mother, step-father, sister, brother, grandparents, grandchildren, mother-in-law, father-in-law, step-mother-in-law, step-father-in-law, brother-in-law, sister-in-law, aunt and uncle.

4. **Article XXII INSURANCE, Section 1.B.2:** During calendar years 2018 through 2020, the employees of this bargaining unit shall pay the following payroll deductions:

COVERAGE	2018	2019	2020
SINGLE	\$1,248	\$1,248	\$1,248
PARENT + CHILD	\$1,378	\$1,378	\$1,378
PARENT + CHILDREN	\$1,456	\$1,456	\$1,456
HUSBAND + WIFE	\$1,508	\$1,508	\$1,508
FAMILY	\$1,638	\$1,638	\$1,638

5. **APPENDIX A:** The Drug and Alcohol Policy attached hereto as Exhibit A is adopted.
6. **Article XXIII: Wages & Classifications:** There will be no base wage increase for 2018. Annually, for the duration of this agreement, beginning on or before October 31, 2018 all parties to this agreement will re-open the discussion of wage increases.
7. **Article XXII INSURANCE, Section 1.A:** The present term life insurance policy provided for bargaining unit employees shall be \$50,000. Any employee who retires in accordance with the provisions of the City of Scranton Municipal Pension Fund during the term of this Agreement shall be covered by a \$10,000 life insurance policy.
8. **A one-time \$750 bonus** payable by the City of Scranton within 30 days of ratification to each bargaining unit member.

It is specifically understood that the signatures below indicate a tentative agreement to the provisions set forth in this document pending approval of the Scranton School Board and Scranton City Council.

BUSINESS AGENT, IAMAW LOCAL 2462

TAX COLLECTOR, SCRANTON SINGLE TAX OFFICE

SOLICITOR, SCRANTON SCHOOL DISTRICT

LABOR COUNSEL, CITY OF SCRANTON

**THE TAX COLLECTOR OF THE SCRANTON SINGLE TAX OFFICE
ON BEHALF OF
THE CITY OF SCRANTON, THE SCHOOL DISTRICT OF THE CITY OF
SCRANTON AND COUNTY OF LACKAWANNA
AND
LOCAL LODGE 2462 AFFILIATED WITH DISTRICT I OF THE
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO**

Purpose:

The use of illegal drugs and abuse of other controlled substances, on working hours or off, is inconsistent with the law abiding behavior expected of all citizens. A condition of employment for each employee is to refrain from reporting to work or working with the presence of illegal or illicit drugs or alcohol in his or her body. The unlawful manufacture, distribution, dispensing, possession or use of controlled substances in the workplace is strictly prohibited. Employees who use illegal drugs or abuse other controlled substances or alcohol tend to be less productive, less reliable, and prone to greater absenteeism resulting in the potential for increased cost, delay and risk in conducting City business. Ultimately, they threaten the ability of the City to accomplish its responsibilities to the citizens of the City of Scranton.

In addition, employees have the right to work in an alcohol and drug-free environment and to work with persons free from the effects of alcohol and drugs. Employees who abuse alcohol or drugs are a danger to themselves and to other employees.

Finally, the City is subject to the Drug-Free Workplace Act of 1988, this law requires the City to certify that it has instituted a program to achieve a drug-free workforce.

The City is interested in the welfare of its employees and the ability of those employees to serve the citizens of the City of Scranton and is therefore committed to maintaining a safe and healthy workplace free from the influence of alcohol and drugs.

Policy:

Possessing, using, distributing, or being under the influence of prohibited drugs is cause for disciplinary action, up to and including termination of employment. Unauthorized use or possession of alcohol, or being under the influence of alcohol while on the job or on the City's property, may be cause for disciplinary action up to and including termination of employment. Recognizing that substance abuse is an illness, it is the City's policy to prevent and rehabilitate rather than terminate the employment of workers who are drug abusers. No employee who has not been determined to be in violation of this Policy shall be discharged for substance use without first having been offered the

Exhibit A

opportunity to discontinue use either through personal choice or by treatment for chemical dependency if such treatment is needed.

Definitions:

A. **"Under the influence"** is defined as the presence of alcohol or drugs in a person's system at a level prohibited by the City as indicated by the cut off chart listed below. Prohibited drugs include, but are not limited to marijuana, hashish, heroin, cocaine, hallucinogens, "designer" or generic drugs, depressants, stimulants, and any other controlled substance not prescribed for current treatment by a licensed physician.

B. **Alcohol** is defined as the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols in methyl and isopropyl alcohol, no matter how it is packaged or in what form the alcohol is stored, utilized or found.

C. **Drug** means both alcohol and illicit drugs.

D. **Drug Test** means any chemical, biological, or physical instrumental analysis administered by a certified laboratory for the purpose of determining the presence or absence of a drug or its metabolites.

E. **Employee Assistance Program** is an established program for employee assessment, counseling and possible referral to an alcohol and/or drug rehabilitation program.

F. **Illicit Drugs** includes drugs that are listed on Schedules I through V of the Pennsylvania Crimes Code Title 35, Section 780-104, Schedules of controlled substances which are not legal, drugs which are legal but not legally obtained, or drugs used in a manner or for a purpose which is not legal or prescribed. The use of prescribed drugs or over the counter drugs that may adversely affect performance or behavior must be reported by the individual to his or her supervisor upon reporting for duty. Abuse of over the counter or prescribed drugs is prohibited. The supervisor will keep this information confidential, only advising the City on a strict need to know basis. Any violation of this confidentiality shall automatically void the value of any test then in process or completed.

G. **Medical Review Officer (MRO)** is a licensed physician responsible for receiving and reviewing laboratory drug test results. The MRO assesses and determines whether an alternate medical or other acceptable explanation can account for a confirmed positive test result.

H. **Prescription** means an order for a controlled substance, other drug or device for medication which is dispensed to or for an ultimate user and also includes an order for a controlled substance, other drug or device for medication which is

Exhibit A

dispensed for immediate administration to the ultimate user (e.g., an order to dispense a drug to a bed patient for immediate administration in a hospital is not a prescription order).

I. Verified Positive Test is certification by the MRO that the properly processed specimen tested positive for one or more of the targeted drugs, for which there was no presentation of legitimate medical explanation.

J. Split Sampling is the collection of a single specimen of urine than is then divided into a primary specimen and a split specimen. If an employee's test results are positive, the employee has an opportunity to have the second sample sent to a different (pre-determined) certified laboratory for the testing of the identified drug(s).

Guidelines:

1. All employees will be fully informed of the Employer's "for cause" drug testing policy before testing is administered. Employees will be provided with information concerning the impact of the use of drugs on job performance. Employees and supervisors will be trained to recognize the symptoms of drug abuse, impairment, and intoxication. In addition, all employees shall be provided with a copy of the Employer's Drug and Alcohol Abuse Policy. No employee shall be tested for cause until this information is provided to him/her.

2. The City reserves the right to conduct searches for drugs or alcohol on the City's property. Employees are expected to cooperate in the conducting of such searches. Searches will be conducted only when there is reasonable ground to believe that the employee is in violation of this policy. Items which may be searched will include City vehicles, desks, lockers, tool boxes or other City-owned objects that might conceal alcohol or drugs. A union representative must be present while a search is being conducted.

3. Employees will be tested for alcohol or drug metabolites when a reasonable suspicion exists that the employee is under the influence of drugs and/or alcohol. The term "reasonable suspicion" shall, for the purposes of this policy and section, be defined as follows:

A. Aberrant or unusual on-duty behavior of an individual employee which:

- Is observed on-duty by the employee's immediate supervisor or another employee, and confirmed by the observation of another managerial employee trained to recognize the symptoms of drug abuse, impairment or intoxication
- Is observed by other employees or persons but cannot be immediately confirmed by another managerial employee. In this case, the personnel director shall investigate

Exhibit A

the reports. The investigation will include an interview with the employee and witnesses and all observations will be documented in writing, by the observers

- Is the type of behavior that is a recognized and accepted symptom of intoxication of impairment caused by controlled substances or alcohol or addiction to or dependence upon said controlled substances, and
- Is not reasonably explained as resulting from causes other than the use of controlled substances (such as, but not by way of limitation, fatigue, lack of sleep, side effect of declared prescription drugs or over the counter medications, reaction to noxious fumes or smoke, etc.)

B. A drug and/or alcohol examination shall be administered:

- a. An on-duty industrial or traffic accident if there is reasonable evidence that employee negligence was the cause.
- b. As part of regular physical examinations

4. Random testing will be conducted once per month. Employees to be tested will be drawn by a third party on a monthly basis and tested. At least one of the employees will also be tested for alcohol. The time and date of the drug testing will be done at the discretion of the Human Resources Director during working hours manpower permitting and the testing notices will be held by the Human Resources Director until the testing date. The Human Resources Director will notify the Tax Collector on that date of the name of the employees to be tested.

5. Employees who are off work on long term sick or injured status shall temporarily be removed from the pool. Otherwise, an employee shall not be permitted to utilize any leave once advised that a random or scheduled drug test will be administered.

6. Positive BAT (Breath Alcohol Test) may be verified by a blood alcohol test at the request of the employee at the employee's expense. If the test is negative the employee will be reimbursed for his/her costs.

7. No for cause or reasonable suspicion drug testing may be conducted without written approval of the personnel manager or designee. The personnel manager must document in writing who is to be tested and why the test was ordered, i.e. random or reasonable suspicion, including the specific objective facts constituting reasonable suspicion leading to the test being ordered, and the names of any source(s) of all of this information. One copy of this document shall be given to the employee before he/she is required to be tested and one copy shall be provided to the union immediately. After being given a copy of the document, the affected employee shall be allowed enough time to be able to read and understand the entire document. Failure to follow any of these procedures shall result in the elimination of the test results as if no test had been administered; the test results shall be destroyed and no discipline shall be levied against the employee.

Exhibit A

8. Once "reasonable suspicion" has been established, and then by written order signed by the personnel manager, the employee may be ordered to submit to alcohol and drug testing in accordance with the procedure set forth below.

9. Refusal to submit to testing after being ordered to do so or failing to immediately and fully cooperate in the testing process shall be considered to be a positive drug or alcohol test result and shall result in the same disciplinary action as a positive test result.

Testing Procedures:

The following procedures shall apply to breath, blood, hair and urine tests administered to employees:

1. The City may request breath, urine, hair and blood samples. Breath, urine, hair and blood specimens shall be drawn or collected at a laboratory, hospital, doctor's office, or medical facility certified by the National Institute for Drug Abuse. The employee shall obtain their own means of transportation to the testing site. A union representative or the designee shall be permitted to accompany the specimen from the site where it is collected to the laboratory. An on duty union representative or their designee shall be permitted to accompany the employee, manpower permitting, to observe the collection, bottling, and sealing of the specimen. No employee of the City shall draw blood from an employee. The employee shall not be observed when the urine specimen is given; however, appropriate procedures shall be enforced to ensure the validity of the procedure. All specimen containers and vials shall be sealed with evidence tape and labeled in the presence of the employee and the union representative.

2. DRUG TESTING CUT-OFF LEVELS

A. These listings represent the screening and confirmatory test cut-off levels of the City.

B. The City may change the test cut-off levels, and add or delete drugs to be screened, as changes in technology or other considerations warrant identification of these, or other substances at other concentrations. The City will provide notification of any change in test cut-off levels.

<u>Cut-off levels (urine)</u>	<u>Emit screen</u>	<u>GC/MS screen</u>
THC/Marijuana Metabolites	20 NG/ML	15 NG/ML
Cocaine/Metabolites	150 NG/ML	100 NG/ML
Opiates/Metabolites	2000 NG/ML	2000 NG/ML
Phencyclidine	25 NG/ML	25 NG/ML
Amphetamine/Methamphetamine	500 NG/ML	250 NG/ML
Barbiturate	300 NG/ML	300 NG/ML
Benzodiazepine/Metabolites	300 NG/ML	300 NG/ML

Exhibit A

Methaqualone	300 NG/ML	300 NG/ML
Methadone	300 NG/ML	300 NG/ML
d-Propoxyphene	300 NG/ML	300 NG/ML
MDMA	500 NG/ML	250 NG/ML

Cut-off levels (hair)	Screening	GC/MS	Reconfirmation Test
Cocaine	5ng/10mg	5ng/10mg	Limit of Detection
Opiates	3ng/10mg	3ng/10mg	Limit of Detection
PCP	3ng/10mg	3ng/10mg	Limit of Detection
Amphetamine	5ng/10mg	5ng/10mg	Limit of Detection
Marijuana	0.01ng/10mg	0.003ng/10mg	Limit of Detection

All reconfirmation tests for hair and urine will be a limit of detection test. Limit of detection is defined as the lowest concentration at which the laboratory can identify a substance.

C. Since the controlled substances listed above were not meant to be all inclusive of the drugs subject to abuse, the City reserves the right (e.g., in reasonable suspicion/cause) to perform analysis for additional controlled substances (e.g., steroids). Appropriate forensic analytical techniques, (e.g., gas chromatography/mass spectrometry) will be used to detect, identify and measure (to the limit of quantization) such illicit agents or prescription-only medications.

D. Cut-off levels for drugs not listed above will be at the limit of quantization.

Levels which are below those above shall be determined as negative indications and shall be so reported.

3. Any sample which has been altered or is shown to be a substance other than urine shall be reported as such.

4. At the time the breath, urine, hair specimens or blood samples are collected, two samples shall be taken and a third if requested by the union or employee. Two samples will be sent to the laboratory to be tested at the employer's expense. In order to be considered positive, the sample must show positive results on the Gas Chromatography/Mass Spectrometry confirmatory test. The third sample or specimen shall be collected in a separate container and shall be sealed in the presence of a City and a union witness with evidence tape which shall be signed by both witnesses. This third sample can be tested at a NIDA certified laboratory selected by the union. The cost of testing the third sample shall be borne by the employee. The employee is not permitted to take physical possession of the third sample.

5. If the results of the tests administered by the employer on the sample shows that the employee while on-duty was under the influence of alcohol or smoked, ingested, inhaled or injected non-prescribed narcotics, marijuana, cocaine, PCP, or non-prescribed

Exhibit A

amphetamines or barbiturates, appropriate discipline may be imposed by the employer after the following procedure has been followed.

6. The employee and the union shall be presented with a copy of the laboratory report of the specimen before any discipline is imposed. The union and the employee shall then have seventy-two (72) hours to present to the City any different results from the test of the third sample conducted by a laboratory selected by the union; however, the failure of the union or employee to have the third test performed or to present the results to the City shall not be used against the employee as a basis for discipline or in any arbitration proceeding. If the union or employee chooses not to have the third samples tested, then they cannot challenge the accuracy of the results.

7. After considering the results of the third test performed for the union, if presented, the City may invoke disciplinary action. Any discipline imposed for the first offense and any grievance filed in response thereto shall be held in abeyance pending voluntary completion by the employee of a substance abuse treatment program mutually agreed upon between the employer and the employee, the base cost of which shall be covered by the employer's group health insurance, if applicable, as any other illness.

8. If the employee successfully completes such a program and is not again disciplined for alcohol abuse for twenty-four (24) months following the initial charge or for drug abuse for the balance of the employee's career, the discipline shall be revoked and shall not be used as the basis for any other disciplinary action in the future.

9. Rehabilitation itself is the sole responsibility of the employee. Any employee seeking medical attention for alcoholism or drug addiction will be entitled to benefits under the City's group medical insurance plan on the same basis and with the same restrictions and limits as for other illnesses. Employees who are privately seeking treatment for drugs or alcohol and who come up positive on a random drug test shall be treated the same as any other employee. Previous treatment shall not be held against them; it may in fact, be to their benefit if they voluntarily release that information. For employees enrolled in a formal treatment program, the City will grant rehabilitation leave on the following basis:

- a. utilization of all earned and accumulated sick leave
- b. leave without pay status during the period of rehabilitation and the period prior to recall.

The employee must provide the City with written authorization consenting to the release of information from the rehabilitation program indicating whether or not the employee has successfully completed the initial program and with bi-weekly certification that he/she is continuously enrolled in a treatment program and actively participating in the program.

Exhibit A

If an employee chooses not to enter a substance abuse treatment program or fails to complete the program, then the discipline is immediately imposed.

A second positive drug result in the employee's career or a second offense for alcohol abuse in a twenty-four (24) month period shall be considered cause for termination of the employee.

Confidentiality:

1. Employees who seek voluntary assistance for alcohol and substance abuse may not be disciplined for seeking such assistance. If an employee should admit to a substance abuse issue before being directed to submit to a testing procedure provided in this policy, the admission shall be entirely confidential and shall never be utilized in any fashion against the employee. If the employee should require time from employment to engage in inpatient rehabilitation or out patient counseling, the City shall make every reasonable effort to accommodate the employee with the use of accrued paid leave, if any, and then an unpaid leave of absence. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees without the employee's consent and to management personnel only on a "need to know" basis. Employees enrolled in substance abuse programs shall be subject to all employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

2. Results of urine and blood tests performed hereunder will be considered medical records and held confidential to the extent permitted by law.

Federal Drug Free Workplace Act of 1988

In conformity with the Federal Drug Free Workplace Act of 1988, the following are additions to the City's Drug and Alcohol Program to affect any City employees receiving, distributing, monitoring or being paid or subsidized with federal funding.

A. As a condition of employment, an employee will notify the City in writing on his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

B. Notification of the Federal agency in writing within ten calendar days after receiving a notice of the above type from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.

21992



DEPARTMENT OF HUMAN RESOURCES

CITY HALL • 500 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18520 • PHONE: 570-346-4245 • FAX: 570-346-4709

MEMORANDUM OF UNDERSTANDING
THE TAX COLLECTOR OF THE SCRANTON SINGLE TAX OFFICE
ON BEHALF OF
THE CITY OF SCRANTON, THE SCHOOL DISTRICT OF THE CITY OF SCRANTON
AND COUNTY OF LACKAWANNA
AND
LOCAL LODGE 2462 AFFILIATED WITH DISTRICT 1 OF THE INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS, AFL-CIO
2018 – 2020

1. UNAFFECTED PROVISIONS

Except as otherwise specifically provided by this Memorandum of Understanding, (MOU) all terms and conditions of the parties' 2013 – 2017 Collective Bargaining Agreement shall remain in full force and effect for the duration of the successor agreement provided by this Memorandum of Understanding.

2. EXTENSION OF THE COLLECTIVE BARGAINING AGREEMENT

The 2013 – 2017 Collective Bargaining Agreement shall be extended for a period of three (3) years, commencing on January 1, 2018 and terminating on December 31, 2020.

3. EFFECTIVE DATE OF MODIFICATIONS

Except as specifically provided herein, all modifications to the 2013 – 2017 Collective Bargaining Agreement shall become effective with the pay period next following the mutual ratification of this Memorandum of Understanding.

MUTUALLY AGREEABLE TERMS

1. Article XIII: SENIORITY, Section 7.B: All job openings in the Tax Office shall be bulletined. Such bulletins will be posted on the Tax Office bulletin boards for three (3) working days. The bulletins will state the number of jobs to be filled, the shift on which the work is to be done, the rates of pay for each job and the qualifications required to fill the position. Any employee bidding for more than one job shall indicate the order of preference on the bulletin signed. If the employee is the senior bidder for more than one job, the employee shall have the opportunity to qualify only for the job ranked highest in the employee's preference. The qualified bidder

with the highest seniority shall be selected to fill the job for a trial period of not less than ten (10) working days. All transfers as a result of this trial shall be temporary until satisfactory completion of the trial period involved. At the conclusion of the trial period, the employee's performance during the trial period will be reviewed by a committee comprised of union members and Tax Office management.

2. Article XVIII SICK LEAVE & LEAVE OF ABSENCE: Section 1: Sick leave -- twelve (12) days -- however, it will accumulate at the rate of one (1) day per month, per year. This will constantly accumulate. If no days are taken off, employees may accumulate up to a maximum number of one hundred twenty-eight (128) working days.

Any employee who is off work as a result of any illness or injury for more than three consecutive days or who exhibits sick leave abuse shall be required to furnish a doctor's certificate concerning the illness or injury. In addition, the Employer may, at its discretion, order an evaluation of the employee's condition by medical personnel of the Employer's choosing at the Employer's expense. However, if any employee does come down with a serious illness (with proof) during the current year, the Employer shall waive these rules and protect the employee for up to forty-five (45) working days.

It is further acknowledged that when an employee shall request a leave of absence pursuant to Article XVIII, Section 2 that it is not a prerequisite that the employee use up all personal and vacation days.

Any employee, who has accumulated sick leave as of the date of his/her retirement, will be paid their daily rate for the first 30 days accumulated. In addition, for time accumulated beyond 30 days and up to 120 days, (i.e. day 31 through and including day 120), employees shall be paid twenty-five dollars (\$25.00) per day to a maximum of two thousand two hundred fifty dollars (\$2,250).

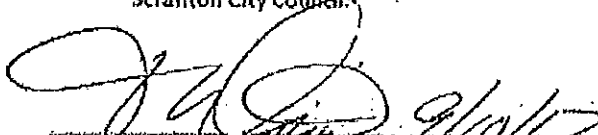
3. Article XX: DEATH IN FAMILY: In the case of the death of a member of the immediate family of an employee, the Employer, will protect such employee against loss of his wages on his regular job for up to four (4) scheduled work days lost because of such death, during the period beginning with the date of death and ending within ten (10) days after the date of burial. Immediate family shall be defined as: wife, husband, child, step-child, mother, father, step-mother, step-father, sister, brother, grandparents, grandchildren, mother-in-law, father-in-law, step-mother-in-law, step-father-in-law, brother-in-law, sister-in-law, aunt and uncle.

4. Article XXII INSURANCE, Section 1.B.2: During calendar years 2018 through 2020, the employees of this bargaining unit shall pay the following payroll deductions:

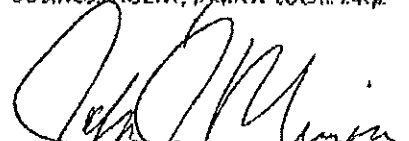
COVERAGE	2018	2019	2020
SINGLE	\$1,248	\$1,248	\$1,248
PARENT + CHILD	\$1,378	\$1,378	\$1,378
PARENT + CHILDREN	\$1,456	\$1,456	\$1,456
HUSBAND + WIFE	\$1,508	\$1,508	\$1,508
FAMILY	\$1,638	\$1,638	\$1,638

5. APPENDIX A: The Drug and Alcohol Policy attached heretofore as Exhibit A is adopted.
6. Article XXIII: Wages & Classifications: There will be no base wage increase for 2018. Annually, for the duration of this agreement, beginning on or before October 31, 2018 all parties to this agreement will re-open the discussion of wage increases.
7. Article XXII INSURANCE, Section 1.A: The present term life insurance policy provided for bargaining unit employees shall be \$50,000. Any employee who retires in accordance with the provisions of the City of Scranton Municipal Pension Fund during the term of this Agreement shall be covered by a \$10,000 life insurance policy.
8. A one-time \$750 bonus payable by the City of Scranton within 30 days of ratification to each bargaining unit member.

It is specifically understood that the signatures below indicate a tentative agreement to the provisions set forth in this document pending approval of the Scranton School Board and Scranton City Council.


 BUSINESS AGENT, IAMAW LOCAL 2462


 TAX COLLECTOR, SCRANTON SINGLE TAX OFFICE


 SOLICITOR, SCRANTON SCHOOL DISTRICT


 LABOR COUNSEL, CITY OF SCRANTON



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

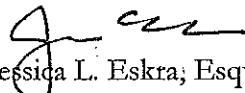
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER
APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A
MEMORANDUM OF UNDERSTANDING BETWEEN LOCAL LODGE 2462 AND
THE CITY OF SCRANTON AND THE SCHOOL DISTRICT OF THE CITY OF
SCRANTON REGARDING THE SINGLE TAX OFFICE COLLECTIVE
BARGAINING AGREEMENT.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS FOR THE CITY OF SCRANTON TO ENTER INTO A LOAN TO GRANT AGREEMENT AND MAKE A LOAN/GRANT FROM THE CITY OF SCRANTON'S BUSINESS AND INDUSTRY LOAN TO GRANT PROGRAM, PROJECT NO.150.45 IN AN AMOUNT NOT TO EXCEED \$140,000.00 TO RIZZO-FRYZEL DENTAL GROUP, PLLC, DBA (ELECTRIC CITY DENTISTRY) TO ASSIST AN ELIGIBLE PROJECT.

WHEREAS, the City of Scranton Office of Economic and Community Development has available Program funds for Project No.150.45, from the City of Scranton's Business and Industry Loan/Grant Program which funds were transferred into this program from the Community Development Block Grant (CDBG Program), to assist a business within the City of Scranton for the purpose of creating 8 new full time jobs for low and moderate income persons; and

WHEREAS, the City of Scranton seeks to provide a Loan to Grant utilizing funds in Project No. 150.45, from the City of Scranton's Business and Industry Loan/Grant Program in an amount not to exceed \$140,000.00 to be used for the purchase of equipment to assist in the operations of the Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry business to be located at 300 Lackawanna Avenue, Unit 107, Scranton, PA 18503, in order to expand its operations at said location; and

WHEREAS, the Loan will convert to a Grant if Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry, fulfills the job creation requirements contained in the Loan to Grant Agreement, and

WHEREAS, this loan furthers the plan to revitalize Scranton.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and other appropriate City Officials are hereby authorized to enter into a Loan to Grant Agreement substantially in the form attached as Exhibit "A", and other required documents as needed, and to disburse the loan funds from Project No. 150.45, City of Scranton's Business and Industry Loan/Grant Program in an amount not to exceed \$140,000.00 to Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry, a Pennsylvania corporation with a principal place of business located at 300 Lackawanna Avenue, Unit 107, Scranton, PA 18503.

SECTION 1. A disbursement of these funds is conditioned upon full execution of the attached Loan Agreement.

SECTION 2. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 3. This Resolution shall become effective immediately upon approval.

SECTION 4. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, Known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



Office of Economic and
Community Development

November 1, 2018

Jessica Eskar, Esquire
City Solicitor
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: Rizzo-Fryzel Dental Group, PLLC
dba "Electric City Dentistry"
OECD / \$140,000.00
Project # 150.45

Dear Atty. Eskar:

Attached please find the "Draft" Resolution along with copies of the loan to grant documents to provide an Economic Development Loan to Grant to the (Rizzo-Fryzel Dental Group, PLLC, dba "Electric City Dentistry") in the amount of \$140,000.00.

This office would appreciate your review of this Resolution in order for this to pass City Council. If you have any questions regarding this project, please contact Tom Preambo at Tpreambo@scrantonpa.gov or 570/348-4216.

Sincerely,

A handwritten signature in cursive script that reads "Linda B. Aebli".

Linda B. Aebli
Executive Director

lba/tp

cc: Mr. Tom Preambo, Deputy Director, OECD
Atty. Sean Gallagher, Solicitor, OECD

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**LOAN TO GRANT AGREEMENT
UNDER
BUSINESS AND INDUSTRY LOAN GRANT PROGRAM
OF THE CITY OF SCRANTON
BETWEEN THE CITY OF SCRANTON
AND
RIZZO-FRYZEL DENTAL GROUP, PLLC
(DBA ELECTRIC CITY DENTISTRY)**

This loan To Grant Agreement is entered into as of the _____ day of _____, 2019, by and between **THE CITY OF SCRANTON** (hereinafter referred to as the "**City**"), a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania with offices located at 340 North Washington Avenue, Scranton, Pennsylvania 18503, and **Rizzo-Fryzel Dental Group, PLLC, (dba Electric City Dentistry)** a professional corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal place of business located at 1830 N. Main Avenue, Scranton, PA 18508 (hereinafter referred to as the "Borrower").

WITNESSETH

WHEREAS, the Borrower seeks to expand services in the property located at, 300 Lackawanna Avenue, Unit 107, Scranton, PA 18503 (the "Property") for commercial uses (such Property also referred to herein as the "Project Site"); and

WHEREAS, the Borrower is seeking to use the Loan for acquisition of equipment, to assist with providing dental services at the Property for a professional dental practice at the Project Site; and

WHEREAS, the Borrower requests financing at lower than conventional rates in order to create a viable business within the City; and

WHEREAS, the Project (as hereinafter defined) will result in the creation of new jobs at the Project Site and the revitalization of the Property for use as a commercial business; and

WHEREAS, the Borrower has made application to the City (the "Application") for a loan/grant under the program known as the Business and Industry Loan/Grant in the amount of One Hundred Forty Thousand Dollars (\$140,000.00); and

WHEREAS, City herein agrees to provide financing under the Business and Industry Loan/Grant Program by making a loan to grant to the Borrower in the amount of One Hundred Forty Thousand Dollars (\$140,000.00); (hereinafter referred to as the "Loan" and/or "Grant"); and

WHEREAS, there are funds available from the (HUD) Community Development Block Grant Entitlement Program to make such a loan; and

WHEREAS, the parties wish to herein provide for terms and conditions of repayment of the Loan and conversion of the loan to a grant and designate the uses to which the Loan/Grant proceeds may be applied.

NOW, THEREFORE, the parties hereto, intending to be legally bound, do hereby mutually agree as follows:

1. INCORPORATION OF RECITALS AND EXHIBITS AND
ACKNOWLEDGMENT OF RECEIPT AND REGULATIONS.

The foregoing recitals and all attachments and exhibits, if any, attached to this Loan Agreement are incorporated by reference into and made a part of this Loan Agreement. The Borrower acknowledges knowledge of and understanding of all applicable regulations and laws concerning its borrowing of funds from the Community Development Block Grant Program and agrees to comply with all such applicable regulations and laws, including, but not limited to, those contained in 24 CFR Part 570. The Borrower acknowledges receipt of a copy of the Community Development Block Grant Entitlement Grant Regulations contained in 24 CFR Part 570, and agrees to comply with all said regulations set forth therein applicable to the Borrower.

2. DESCRIPTION OF PROJECT.

The Loan proceeds will be used by the Borrower only for the acquisition of equipment, for the operation of the Borrower's business located within the Project Site (hereinafter referred to as the "Project"). The Loan proceeds cannot be used for any other purpose without the prior written consent of the City's Office of Community and Economic Development.

3. LOAN TO GRANT

a) Community Development Block Grant Program Loan. The City shall make the Loan to the Borrower in the amount of One Hundred Forty Thousand Dollars (\$140,000.00), with interest at the fixed rate of two and one half per cent (2.5%) per annum, which shall be advanced to Borrower

as specified in this Loan Agreement. The entire principal balance of the Loan, as well as any interest accrued thereon, shall be paid in full on or prior to one hundred twenty-six **(126)** months after the Closing Date. The Loan shall not accrue interest during the first **Six** months after the Closing Date.

b) Community Development Block Grant Program Loan to Grant. If Borrower fulfills all of its obligations contained in Section 4 hereof within **six (6)** months of the Closing Date, then all accrued interest and principal shall be forgiven by the City and the Loan shall be converted to a Grant and Borrower shall have no further obligation to repay any funds to the City for the Loan.

b) Availability of Community Development Block Grant Loan. The City has, by Notice of Award of Loan/Grant, and passage of Resolution No. ___ of 2018 on the ___ day of ___, 2018, approved making the Loan to the Borrower. (Resolution as **Exhibit "B"** *insert after approval*)

c) Terms for Repayment of Community Development Block Grant Loan. The Loan shall be evidenced by the Borrower's Promissory Note (the "Note"), dated as of Closing Date, in the principal amount of One Hundred Forty Thousand Dollars (\$140,000.00), containing the terms and conditions of payment set forth herein. In the event Borrower fails to satisfy the conditions in Section 4 hereof and the Loan is not converted to a Grant, then **Six (6)** Months after the Closing Date, the Borrower shall make its initial loan payment of One Thousand Three Hundred and Nineteen Dollars and Seventy Eight Cents **(\$1,319.78)**, and thereafter on the same day of each subsequent month, for a total of one hundred and twenty (120) months, the Borrower shall pay One Thousand Three Hundred and Nineteen Dollars and Seventy Eight Cents **(\$1,319.78)** month. The entire principal balance of the Loan, as well as any interest accrued thereon, shall be paid in full by Borrower on or prior to one hundred twenty-six **(126)** months after the execution of the Loan Agreement. There shall be no penalty for prepayment of the principal balance of the Loan.

d) Disbursement of Proceeds. The proceeds of the Loan shall be disbursed at Closing, to or for the benefit of the Borrower, and as directed by the Borrower.

4. HIRING COMMITMENTS.

(a) Creation of New Jobs: As an absolute condition of the Loan/Grant, Borrower agrees to create, within **six (6)** months from the date of this Loan Agreement, at least Four (4) new, full-time equivalent, permanent employment positions at the Project Site as a direct result of the Project financed by the Loan. The specific positions to be filled are described in the documents attached to this Loan Agreement as ATTACHMENT "A", the terms of which are incorporated herein by reference, as though more specifically set forth herein at length. Borrower agrees to ensure that at least fifty-one (51%) percent of the positions described in the ATTACHMENT "A" will be held by or made available to low and moderate income persons as defined in 24 CFR 570.3.

Borrower agrees to promptly collect from its employees and prospective employees the reasonable and necessary data required by HUD for the City's Office of Economic and Community Development to monitor and verify compliance with the job creation requirement. Borrower shall turn such data over to City's Office of Economic and Community Development in a timely manner.

(b) Hiring Verification Procedure.

Contemporaneously with the execution of this Agreement, Borrowers will provide City with a certified statement which itemizes the names, positions and non-overtime hours actually worked by each of its direct employees during the pay period immediately proceeding the date of execution of this Agreement.

(c) Hiring Commitment Fulfillment.

City shall consider Borrower to have fulfilled the hiring commitment if the Borrower reports quarterly, beginning with the date of this Loan Agreement, to the City any new positions created within the **Six (6)** month time period and the Borrower has presented to City a sworn statement which itemizes the positions created.

(d) Penalties for Failure to Meet Hiring Commitments.

If, upon **Six (6)** months following the closing date, Borrower shall have failed to fulfill the job creation requirements described in this Section, City at its option may do any or all of the following:

(i) Declare the Borrower in default and demand a repayment of the principal amount of the Loans equal to the entire balance outstanding on the Loan within thirty (30) days from the date of demand;

(ii) Require Borrower to pay within thirty (30) days of demand to City any penalty or recapture levied upon City by HUD which is based upon Borrower's failure to fulfill the hiring commitments.

(e) Sustained Operations and Employment

Borrower, as a condition of this Loan to Grant must remain Open for Business and remain Operational for a period of Sixty (60) consecutive months after the Closing. Open for Business and Operational shall mean Borrower shall be open for business at least 5 days per week, 10 hours per day, except time closed for vacation of one (1) week per calendar year or closure due to act of God, fire, or a taking by a Governmental authority.

5. DATE OF CLOSING. The closing of the Loan shall take place at the offices of Economic and Community Development for the City of Scranton, 340 N. Washington Avenue, Scranton, PA, 18503, after the passage of Resolution No. ___ of 2018 and the Mayor and other appropriate City Officials signing the Resolution (the "Closing Date").

6. SECURITY. The Loan shall be secured, and repayment guaranteed, by the following:

a) the Note;

b) a Security Agreement and UCC Financing Statement to the City granting a lien on the following Collateral: all equipment of the Borrower; and

c) the absolute, unconditional and irrevocable personal guaranties of the Loan by Mary Grace Rizzo-Fryzel and David Fryzel, her Husband ("Guaranty") in a form satisfactory to the City.

7. CONDITIONS. Funding of the Loan will be subject to the Borrower fulfilling the following conditions to the reasonable satisfaction of the City:

a) Execution and delivery by the Borrower of the Loan Agreement, Note, Security Agreement, as well as such additional documents, as the CITY may reasonably require (collectively, the "Loan Documents");

b) The Borrower shall deliver to the CITY at Closing an opinion of its counsel, in form reasonably acceptable to the CITY as to good standing, authorization, the perfection of the CITY's lien in any real or personal property with respect to which the CITY is given a security interest or mortgage, incumbency of officers, the validity and enforceability of all documents, compliance with applicable laws and regulations, litigation, and, except as previously disclosed herein, compliance with all existing material agreements and such other matters as the CITY may reasonably require; and

c) Execution and delivery of the aforementioned personal guaranties of the Loan by Mary Grace Rizzo-Fryzel and David Fryzel, her Husband.

The parties hereto acknowledge that funds cannot be disbursed until completion by the City of all requirements necessary for the City to make the Loan have been satisfied.

8. COVENANTS. The Borrower covenants and agrees with the City that so long as any portion of the Loan remains outstanding and unpaid the Borrower shall:

a) pay promptly when due all installments of principal and interest due at the time and in the manner specified in the Note and pay all other sums of every nature and kind comprising part of the Loan in the manner and at the times required by this Loan Agreement and the Note.

b) keep, perform, and comply with all covenants, terms, and conditions of this Loan Agreement;

c) maintain the Property at the Project Site in good order and condition, make, or cause to be made, all repairs, replacements and renewals necessary for the proper maintenance and operation of the same, and permit authorized representatives of the City to inspect the same at reasonable times in the presence of authorized representatives of the Borrower, and upon providing reasonable prior notice to the Borrower;

d) maintain with respect to the Property, property insurance, and with respect to the Project Site, public liability insurance and flood insurance (if necessary); and such other types of insurance that the CITY may reasonably require, with insurance companies reasonably satisfactory to the CITY and in such amounts and against such risks as are customarily insured by similar entities, all to the reasonable satisfaction of the CITY; keep all insurance in full force and effect and pay all premiums therefore and deliver copies of certificates of insurance to the CITY with the interest of the CITY in all insured property covered under a standard mortgagee clause or a loss payable clause, as appropriate, the policies in all cases to provide for not less than ten days prior written notice to the CITY of any intended cancellation;

e) act prudently and in accordance with customary industry standards in managing and operating the Project;

f.) pay, or cause to be paid, promptly when due all real estate taxes, sewer rentals, utilities and other municipal assessments, rentals, and charges of every nature and kind at any time levied and imposed on the Property, as well as all debts, obligations, and claims of every nature and kind which, if unpaid, might or could become a lien or charge upon the Property, unless the validity thereof is being contested in good faith by the Borrower by appropriate proceedings diligently conducted to the reasonable satisfaction of the City and the Borrower's liability is covered by escrows or reserves that the City shall reasonably deem adequate;

g) furnish to the CITY, within a reasonable time, upon request, after the end of each of the Borrower's fiscal years, financial statements of the Borrower prepared at a minimum, on a compilation basis, by certified public accountants acceptable to the CITY, certified to be correct;

h) furnish all additional information with respect to the Borrower that the CITY may from time to time reasonably request. Borrower hereby authorizes all duly constituted federal, state and municipal authorities to furnish to the CITY copies of audit reports of the Borrower made by any of them;

i) promptly give written notice to the CITY of any material damage to the Property as well as written notice of the revocation or termination of any material franchise, license, permit or other authorization required for the operation of the Project or any other event, including litigation or other proceedings commenced or threatened, which might or could have a material adverse effect on the Borrower's financial condition or on the operation of the Borrower's business including any event which, after the

passage of time or the giving of notice or both, would constitute an event of default under this Loan Agreement; and

j) perform in a timely manner all of its material covenants, obligations and agreements under each material contract, lease, mortgage, deed of trust or other encumbrance or agreement relating to the Project; and

k) Comply with all applicable provisions of any and all regulations, ordinances or laws governing this Loan Program;

l) not, without the prior written consent of the City, (i) merge, consolidate or divide, whether or not the BORROWER is the surviving corporation or other entity, (ii) sell, transfer, assign, lease, mortgage, lien, pledge or otherwise convey or dispose of all or any material part of its assets, except in the ordinary course of business, (iii) effect a reorganization, recapitalization or reclassification of its capital stock, or equity securities, the effect of which is materially to reduce tangible net assets or shareholders' equity of the BORROWER, (iv) issue, redeem, purchase or retire any of its member interests, capital stock or equity securities or grant or issue any warrant, right or option pertaining thereto or other security convertible into any of the foregoing, except pro rata among existing security holders the effect of which is not materially to reduce tangible net assets or shareholders' equity, or (v) permit any change in Borrower's ownership interests or equity securities from that previously disclosed to the CITY in connection with the Loan; and

m) not, without the prior written consent of the City, (a) declare or pay any dividend (other than an amount equal to the owners' share of the Borrower's taxes that flow through to the said owners) or make any distribution upon its capital stock, or purchase or retire any of its capital stock, or (b) give any preferential treatment, make any advance, directly or indirectly, by way of loan, gift, bonus, or otherwise, to any individual or company directly or indirectly controlling or affiliated with or controlled by the Borrower, or to any officer, director, or employee of the Borrower or in any such company, or (c) make any distributions of assets of the business of the Borrower other than in the ordinary course of business.

9. REPRESENTATIONS AND WARRANTIES. To induce the City to provide the financing described in this Loan Agreement, Borrower hereby represents and warrants to the City that:

- a) Borrower is a duly organized, existing corporation, and in good standing under the laws of the Commonwealth of Pennsylvania; and that all books and records of the business pertaining to its financial condition and operation will be kept at the Property; and
- b) the Borrower has the power and authority to own its assets and to carry on the activities contemplated by the Application;
- c) the Borrower holds all material franchises, licenses, permits and other authorizations of any nature and kind required for the ownership of its assets and the operation of its business, all of which are now in full force and effect;
- d) the execution and delivery of this Loan Agreement, and the other Loan Documents to which it is a party, and compliance with their respective covenants, terms and conditions, will not violate any provisions of any governing agreements relating to Borrower, or any statute, regulation, order, writ, injunction, decree, decision of any court or governmental agency binding upon it or conflict with or result in a breach of any of the covenants, terms and conditions of any material agreement or instrument to which the Borrower is a party or by which it is bound or to which it is subject, or constitute a default thereunder, or result in the creation or imposition of a lien, charge or encumbrance of any nature or kind upon any of the assets of the Borrower pursuant to the terms of any such agreement, instrument or otherwise;
- e) the execution and delivery of this Loan Agreement, and the other loan documents to which it is a party, and compliance with all the covenants, terms and conditions thereof has been duly authorized by proper action of the Borrower and when duly executed and delivered by the Borrower will constitute the valid and binding obligations of the Borrower enforceable in accordance with their respective terms.
- f) the Borrower has filed, and shall, as required, file in a timely manner, all Federal, State and Local tax returns and has paid, or shall pay, all taxes shown to be due thereon;
- g) there is no material litigation or governmental proceeding pending or (to the knowledge of the Borrower) threatened against or affecting the Borrower or any of its assets or the operation of its business, which, if adversely determined, would have a material adverse effect on the financial condition of the Borrower;

h) the Borrower will not dispose of any hazardous waste in violation of any environmental statutes, regulations or other restrictions at the Project Site and will not knowingly violate any environmental statutes, regulations or other restrictions;

i) there is no material fact that the Borrower has not disclosed to the CITY, which could have a material adverse effect on the Project or the prospects or condition (financial or otherwise) of Project. No certificate or statement delivered herewith or heretofore by the Borrower in connection with this Loan Agreement or the Application contains any untrue statement of material fact or omits to state any material facts necessary to keep the statements contained herein or therein from being misleading;

j) the Borrower shall at all times keep proper books of account in a manner satisfactory to the CITY and in accordance with generally accepted accounting practices. The Borrower hereby authorizes the CITY to make or cause to be made, at the Borrowers' expense and in such manner and at such times as the CITY may reasonably require,

(1) inspections and audits of any books, records and papers in the custody or control of the Borrower or others, relating to the Project, including the making of copies thereof and extracts there from, and

(2) inspections and appraisals of any of the Property. The Borrower will furnish to the CITY for the twelve (12) month period and semi-annually thereafter, financial and operating statements relating to the Project. The Borrower hereby authorizes all Federal, State and Municipal authorities to furnish reports of examinations, records, and other information relating to the conditions and affairs of the Borrower and any desired information from reports, returns, files, and records of such authorities, relating to the Project, upon request therefore by CITY.

k) The unpaid balance of the Loan shall be immediately due and payable, if the Borrower, during the term of the Loan, effects a change of ownership or control of the business located at the Property without the prior written consent of the City;

l) The Security Agreement granted by the Borrower to the City will create a good and valid first lien security interest in and upon all of Borrower's equipment.

10. EVENT OF DEFAULT. An event of default under this Loan Agreement shall be deemed to have occurred if the Borrower shall:

- a) fail to pay any installment of interest or principal on the Note within ten (10) days after notice from the CITY to the Borrower that any such installment is more than five (5) days late;
- b) fail to pay any other sum required to be paid under the Note or this Loan Agreement within ten (10) days of the Borrower's receipt of notice from the CITY of such failure; or
- c.) fail to strictly and timely comply with all the job creation requirements described in Section 4 above; or
- d) fail to keep, perform and comply with any of the other covenants, terms and conditions of this Loan Agreement within thirty (30) days of notice from the CITY, provided, however, if compliance cannot be performed within thirty (30) days, the Borrower shall be permitted additional time to comply so long as the Borrower commences compliance and pursues it vigorously within the initial thirty (30) day period; or
- e) become insolvent or files or is named in any petition for relief under the Bankruptcy Code or makes any assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of any of the Borrower's properties and assets or applies for or consents to or suffers the appointment of a receiver or trustee; or
- f) close its business for a period of two consecutive weeks or longer.

11. REMEDIES. If an event of default as defined in Section 10 of this Loan Agreement shall occur, the CITY shall be entitled, upon twenty (20) days prior written notice to the Borrower, to declare the Loan immediately due and payable and to demand payment of the Note without presentment, demand or protest of any kind, all of which are hereby expressly waived, and thereupon the CITY shall be entitled to exercise separately or concurrently all rights and remedies under the Note or this Loan Agreement or otherwise available to the CITY at law or in equity to enforce collection of the Loan. The foregoing rights and remedies of the CITY are cumulative and not exclusive of any rights and remedies, which the CITY might otherwise have at law or in equity or by virtue of any statute or rule of procedure.

12. ALLOWABLE COSTS. The Borrower recognizes that the City is obligated to examine all costs claimed by the Borrower relating to the Project for the purpose of cost recovery to effectuate the long-term goals of

the CDBG Grant Program. Without limiting the general applicability of the foregoing, the Borrower is notified that the following cost items, except as they may relate to allowable costs specifically contained in this Loan Agreement or the Application, generally shall not be considered eligible expenses:

- a) Costs paid out prior to the execution of this Loan Agreement;
- b) Interim interest paid on funds borrowed by the Borrower in anticipation of disbursement of the CITY's loans or other Project funds; or
- c) The compensation of consultants and professional service providers;
- d) Costs incurred prior to the Notice of Award of Grant by the CITY.

13. AUDIT. The Borrower agrees to participate actively if requested, and without compensation, in the CITY's audits of the Project and further agrees to fully and faithfully cooperate with the CITY in meeting any and all requirements of the Federal Government.

14. NO LIABILITY FOR FAILURE TO COMPLETE. The Borrower agrees to include in all contracts with any party involving the use of Loan Proceeds an acknowledgment that the CITY shall not be liable to any party for completion of, or the failure to complete, any activities, which are part of the Project, from the date of this Loan.

15. EXPENSES. (a) The Borrower agrees to pay City's reasonable attorney's fees, court costs and other disbursements ordered by the court in the event the CITY takes successful legal action to enforce the CITY's rights under this Loan Agreement.

(b) The Borrower will, on demand, reimburse the CITY for any and all costs, fees and expenses incurred as a result of a breach, including, but not limited to, underwriter's discounts, fiscal agency fees, and all other fees, expenses and costs of issuance which are incurred or which may be hereafter incurred by the CITY from time to time in connection with or by reason of the Borrower's application for the making of and the administration of the Borrower's permanent financing stages of the Loan.

16. RECORDING COSTS. The Borrower agrees to pay all recording costs and filing fees related to the Loan, if any.

17. HOLD HARMLESS AGREEMENT. The Borrower will indemnify and defend the CITY and hold it harmless from any claim against it involving or in any way arising out of its involvement with this Project, unless involving or in any way arising out of the willful misconduct of the CITY, its agents or employees. In particular, but without limiting the general application of the foregoing, and pursuant to Section 4 above, the Borrower will, within thirty (30) days of the CITY's demand, pay any penalty or recapture levied upon the CITY which originates in the Borrower's failure to fulfill, or document the fulfillment of, its hiring commitments stated in this Loan Agreement or the Application.

18. EXERCISE OF RIGHTS. No delay or failure of the CITY in exercising any right or remedy under this Loan Agreement shall be deemed a waiver of such right or remedy or affect or impair the future exercise of such right or remedy and no modification or waiver by the CITY of any covenant or condition of this Loan Agreement or waiver by the CITY of any default hereunder shall be effective for any purpose unless contained in writing signed by the CITY and then only to the extent specifically set forth in such writing.

19. NOTICES AND DEMANDS. All notices or demands required by the provisions of this Loan Agreement shall be in writing, and shall be effective upon delivery, if personally delivered, one (1) business day after sending by Federal Express or other recognized overnight delivery service, or three (3) business days after the date of mailing by United States Certified Mail, with postage prepaid, addressed. If to the City:

Office of Economic and Community Development
City of Scranton
340 North Washington Avenue
Scranton, PA 18503
Attn.: Executive Director

If to the Borrower:

Electric City Dentistry
300 Lackawanna Avenue, Unit 107
Scranton, PA 18503
Attn: Dr. Mary Grace Rizzo-Fryzel

or at such other address as such party shall from time to time direct by written notice given to the other party in like manner.

20. CONSENT TO JURISDICTION. The Borrower irrevocably consents to the exclusive jurisdiction of the Court of Common Pleas of Lackawanna County, Pennsylvania or the United States District Court for the Middle District of Pennsylvania in any and all actions and proceedings arising hereunder. The Borrower hereby waives and shall not interpose any objections of forum non conveniens or to venue, and waives any right to remove any proceeding commenced in a state court to a federal court, and consents to any and all relief ordered by such court.

21. SEVERABILITY. The invalidity of any one or more sections of this Loan Agreement or any portion thereof shall not be deemed to affect or impair the validity and enforceability of the remainder.

22. ASSIGNMENT; BINDING EFFECT. All covenants, terms and provisions of this Loan Agreement shall inure to the benefit of and extend to and bind the successors and assigns of the CITY, provided that the Borrower shall not have the right to assign this Loan Agreement or any rights hereunder to any other person or entity, excepting any entity into which the Borrower shall be merged or with which the Borrower shall be consolidated and any entity which shall purchase substantially all assets of the Borrower.

23. COMPLIANCE WITH HUD REQUIREMENTS. The Borrower shall comply with any and all applicable laws and/or regulations applicable to its receipt and use of the funds being loaned to it pursuant to the aforementioned loan program, including, but not limited to, all of the following requirements where applicable:

a) The regulations for the Community Development Block Grant Program contained in 24 CFR, Part 570;

b) All requirements imposed by Title VI of the Civil Rights Act of 1964 (Public Law 88—352) and Section 1.09 of the Housing and Community Development Act of 1974, as amended, and the regulations related to equal opportunity (24 CFR, Part 570.601). No person in the United States shall, on the grounds of race, color, creed, religion or national origin, sex, disability or other handicap, age, marital status or status with regard to public assistance, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any project assisted with Community Development Block Grant Funds;

- c) The flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234);
- d) The lead-based paint requirements of 24 CFR, part 35, Subpart B, issued pursuant to the Lead-Based Paint Poisoning Act (42 U.S.C., 4801 et seq.);
- e) The regulations, policies, guidelines and requirements of OMB Circular A-102 Revised (handbook 1300.17), which relates to the acceptance and use of federal funds;
- f) The labor standards requirements as set forth in 24 CFR 570.605. Employees on construction jobs assisted with CDBG funds must be paid the prevailing federal wage rates; and the Project must comply with the City's position regarding the Boston Harbor Agreement, if applicable;
- g) Section 504 of the Rehabilitation Act of 1973 (Public Act 93— 112), as amended, and implementing regulations. No person (employee or applicant for employment) shall be discriminated against because of a physical or mental disability with regard to any position for which the employee or applicant is qualified;
- h) The provisions of the Age Discrimination Act of 1975, as amended (Public Law 94—135);
- i) Requests from HUD, the City and the Comptroller General (or any authorized representatives) for access to and the right to examine all records, books, papers or documents related to the Loan and cooperate fully with the City in supplying information to meet CDBG audit requirements;
- j) The American with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.);
- k) Section 3 of the Housing and Urban Development Act of 1968, as amended, and implementing regulations at 24 CFR, Part 135, requiring that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the Project area and contracts for work in connection with the Project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the area of the Project;
- l) This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88—352) and 24 CFR 570, Part 1. In regard to the

sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Borrower shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the City and the United States are beneficiaries of and entitled to enforce such covenants. The Borrower, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate;

m) Section 112 of P.L. 92-65 (42 U.S.C. § 3123) prohibiting sex discrimination in any program or activity receiving Federal Financial assistance under PWEDA; and

n) Borrower will, in all solicitations or advertisements for employees placed by or on behalf of Borrower; state that it is an Equal Opportunity or Affirmative Action Employer.

24. ENTIRE AGREEMENT. This Loan Agreement is the entire agreement between the parties. It is understood and agreed by the parties hereto that no oral statement or no prior written matter extrinsic to this instrument shall have any force or effect. This Loan Agreement shall not be modified except by writing, subscribed by both parties.

25. HONORABLE AGREEMENT. This is an honorable Loan Agreement intended to achieve the recited purposes. This Loan Agreement is to be constructed and applied liberally to achieve those purposes and is not to be defeated by resorting to technical defenses or objections to price computation or any other matter affecting its operation.

26. WAIVER OF BREACH. The waiver by the City of a breach of any provision of this Loan Agreement by the Borrower shall not operate nor be construed as a waiver of any subsequent breach by the Borrower.

27. COUNTERPARTS. This Loan Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together constitute one and the same agreement.

28. SURVIVORSHIP CLAUSE. The Borrower and the City acknowledge and agree certain obligations imposed upon them pursuant to the terms of this Loan Agreement may survive the termination of this Loan Agreement and be legally binding upon the parties hereto subsequent to the termination of this Loan Agreement.

29. INTERPRETATION. This Loan Agreement shall constitute a contract under the laws of the Commonwealth of Pennsylvania and shall for all purposes be construed in accordance with such laws. The headings of Sections in this Loan Agreement are for convenience of reference only, and shall not enlarge or restrict the rights of the parties hereto.

This space intentionally left blank

IN WITNESS WHEREOF, intending to be legally bound, the parties hereto have duly caused this Loan Agreement to be duly signed in their respective names the day and year first above written.

CITY:

COUNTERSIGNED

CITY OF SCRANTON

BY: _____ BY: _____
Controller Mayor

Date: _____ Date: _____

BY: _____ BY: _____
Executive Director City Clerk
Office of Economic and
Community Development Date: _____

Date: _____

APPROVED AS TO FORM:

BY: _____ Date: _____
City Solicitor

BORROWER:

Attest: **Dr. Mary Grace Rizzo-Fryzel Dental
Group, PLLC**

_____ By: _____

Date: _____ Dr. Mary Grace Rizzo-Fryzel, DMD

Owner

Date: _____

Business & Industry Loan/Grant Program

BORROWER: Dr. Mary Grace Rizzo-Fryzel Dental Group PLLC
dba Electric City Dentistry

Following is a summary of new, permanent jobs to be created as a result of the CDBG funding assistance provided through this loan program: FT = 40hrs/wk

Job Title	Status		This job is to be created as a absolute	Job to be made available to low/mod persons as a absolute	Does this job require special skills or education? Yes or No
	FT (number of positions)	PT (total hours per week)			
Hygienist	1		will be created	yes	yes
Hygienist	1		will be created	yes	yes
Assistant	1		will be created	yes	yes
Associate Dentist	1		will be created	yes	yes

FT JOBS

4

PT JOBS AS FTE

0

TOTAL JOBS

4

The jobs will be created within 6 months following the disbursement of loan funds

You should complete a **Family Income Certification** form (sample attached) each time you fill a newly-created, permanent position. Employees should provide information about their family's gross annual income **prior** to being hired by you, so that you can maintain documentation about which of these positions are held by low/mod persons. You will be required to submit copies of these forms to OECD on a quarterly basis until the job creation requirement has been met; as stated in the terms of your loan agreement.

This activity has been processed & maintained by: Tom Preambo, OECD Deputy Director

PROMISSORY NOTE

\$140,000.00

Scranton, Pennsylvania
_____, 2019

FOR VALUE RECEIVED, and intending to be legally bound, the undersigned, Rizzo-Fryzel Dental Group, PLLC, (dba Electric City Dentistry), (hereinafter called the "Maker"), a Professional Pennsylvania corporation with a principal place of business located at 300 Lackawanna Avenue, Unit 107, Scranton, PA 18505, hereby promises to pay to the order of THE CITY OF SCRANTON (hereinafter called the "Holder"), a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania with offices at 340 North Washington Avenue, Scranton, Pennsylvania 18503, or its assignees, the sum of One Hundred Forty Thousand Dollars (\$140,000.00), (the "Loan") payable together with interest thereon at the fixed rate of two and one half percent (2.5%) per annum as follows:

- (1) Interest shall not accrue from _____, 2019 through _____, 2019. In the event Maker satisfies all of the conditions of Section 4 of the Loan to Grant Agreement between Maker and Holder of even date herewith then Maker's obligations hereunder shall cease and Maker shall not have any further obligations to repay the Loan to Holder.
- (2) Payments by Maker to Holder shall commence on the _____ day of _____, **2019**, and on the _____ day of each and every month thereafter to and including the _____ day of _____, **2029** and shall be in monthly installments of principal and interest in the amount of One Thousand Three Hundred and Nineteen Dollars and Seventy Eight Cents (\$1,319.78).
- (3) Upon the expiration of one hundred twenty six (**126**) months after the date hereof, the then unpaid balance of principal, interest, and charges collectible under the terms hereof shall be immediately due and payable.
- (4) This Note evidences a loan (the "Loan") in the above amount made by the Holder to the Maker on this date, the proceeds of which will be advanced by the Holder to the Maker in the manner provided in a Loan to Grant Agreement (the "Loan Agreement") of this date between the Holder and the Maker for the purposes therein specified. Payment of this Note is secured by a security agreement (the "Security Agreement") of this date from the Maker to the Holder, and by, other security described in the Loan Agreement.
- (5) The Maker hereby agrees to keep, perform, and comply with all covenants, terms, and conditions of this Note, the Loan Agreement, the Security Agreement, and all of the documents and instruments now and at any

time hereafter delivered to and held by the Holder to evidence and secure the Loan (herein collectively called the "Loan Documents"), which are incorporated by reference in and made a part of this Note.

(6) This Note shall also evidence all advances and expenditures that the Holder is authorized and permitted to make under the provisions of the Loan Documents, and all other sums of every nature and kind that at any time hereafter become due and owing by the Maker to the Holder under the Loan Documents, which shall be added to and become part of the principal amount evidenced by this Note and paid to the Holder, with interest, on the due date of the next installment, if not sooner due and payable under the provisions of the Loan Documents.

(7) Payments of principal on this Note shall be made in current funds on the day when due, without presentment, demand, protest, or notice of any kind, all of which are hereby waived. Payment shall be made at the office of the Holder herein designated or at such other place as the Holder may from time to time designate by written notice to the Maker, and shall be made in lawful money of the United States of America without set-off, counterclaim, or other deduction of any nature.

(8) The Holder shall have the right to impose a service charge equivalent to ten percent (10%) of the amount of any installment of principal not received within fifteen (15) days after the date the same becomes due, which shall be added to the principal balance and paid to the Holder on the due date of the next installment.

(9) EVENT OF DEFAULT. An event of default under this Promissory Note shall be deemed to have occurred if the Borrower shall:

a) fail to pay any installment of interest or principal on the Note within ten (10) days after notice from the CITY to the Borrower that any such installment is more than five (5) days late;

b) fail to pay any other sum required to be paid under the Note or this Loan Agreement within ten (10) days of the Borrower's receipt of notice from the CITY of such failure; or

c.) fail to strictly and timely comply with all the job creation requirements described in Section 4 of the Loan to Grant Agreement of even date herewith; or

d) fail to keep, perform and comply with any of the other covenants, terms and conditions of the Loan to Grant Agreement within thirty (30) days of notice from the CITY, provided, however, if compliance cannot be performed within thirty (30) days, the Borrower shall be permitted additional time to comply so

long as the Borrower commences compliance and pursues it vigorously within the initial thirty (30) day period; or

e) become insolvent or files or is named in any petition for relief under the Bankruptcy Code or makes any assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of any of the Borrower's properties and assets or applies for or consents to or suffers the appointment of a receiver or trustee; or

f) close its business for a period of two consecutive weeks or longer.

(10) REMEDIES. If an event of default as defined in Section 9 hereof shall occur, the CITY shall be entitled, upon twenty (20) days prior written notice to the Borrower, to declare the Loan immediately due and payable and to demand payment of the Note without presentment, demand or protest of any kind, all of which are hereby expressly waived, and thereupon the CITY shall be entitled to exercise separately or concurrently all rights and remedies under the Note or this Loan Agreement or otherwise available to the CITY at law or in equity to enforce collection of the Loan. The foregoing rights and remedies of the CITY are cumulative and not exclusive of any rights and remedies, which the CITY might otherwise have at law or in equity or by virtue of any statute or rule of procedure.

(11) Confession of Judgment. This Promissory Note contains a warrant of attorney authorizing any Prothonotary, Clerk of Court, attorney of any court of record and/or the Holder (as well as someone acting for holder) to appear for, and confess judgment(s) against Maker, without any prior notice or an opportunity to be heard. Subparagraph (a) below also permits Holder to execute upon the confessed judgment(s) which could have the effect of depriving Maker of its property without any prior notice or an opportunity to be heard. Maker hereby acknowledges that it has consulted with an attorney regarding the implications of these provisions and Maker understands that it is bargaining away several important legal rights. Accordingly, Maker hereby knowingly, intentionally, voluntarily and unconditionally waives any and all rights that it may have under the constitution and/or laws of the United States of America and the Commonwealth of Pennsylvania to prior notice and/or an opportunity for

hearing with respect to both the entry of such confessed judgment(s) and any subsequent attachment, levy or execution thereon.

(a) CONFESSION OF JUDGMENT. MAKER COVENANTS AND AGREES THAT UPON THE OCCURRENCE OF AN EVENT OF DEFAULT BY MAKER, HOLDER MAY, WITHOUT LIMITATION, CAUSE JUDGMENTS FOR MONEY TO BE ENTERED AGAINST MAKER AND, FOR THOSE PURPOSES, MAKER HEREBY GRANTS THE FOLLOWING WARRANT OF ATTORNEY: (I) MAKER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR HOLDER (AS WELL AS SOMEONE ACTING FOR HOLDER) IN ANY AND ALL ACTIONS COMMENCED AGAINST MAKER FOR RECOVERY OF THE PRINCIPAL AND INTEREST AND/OR OTHER AMOUNTS TO BE PAID TO HOLDER BY MAKER AND TO APPEAR FOR MAKER, AND ASSESS DAMAGES AND CONFESS OR OTHERWISE ENTER JUDGMENT AGAINST MAKER, FOR PRINCIPAL AND INTEREST AND/OR OTHER AMOUNTS TO BE PAID TO HOLDER BY MAKER, TOGETHER WITH INTEREST AT THE DEFAULT RATE, COSTS AND AN ATTORNEYS' COMMISSION EQUAL TO THE GREATER OF \$5,000 OR FIFTEEN PERCENT (15%) OF THE FULL AMOUNT OF SUCH AMOUNTS AND SUMS; AND THEREUPON WRITS OF EXECUTION MAY FORTHWITH ISSUE AND BE SERVED, WITHOUT ANY PRIOR NOTICE, WRIT OR PROCEEDING WHATSOEVER; AND (II) THE WARRANT OF ATTORNEY HEREIN GRANTED SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF BUT SUCCESSIVE ACTIONS MAY BE COMMENCED AND SUCCESSIVE JUDGMENTS MAY BE CONFESSED OR OTHERWISE ENTERED AGAINST MAKER FROM TIME TO TIME AS OFTEN AS ANY AMOUNTS AND SUMS SHALL FALL OR BE DUE OR PAYABLE, AND THIS WARRANT OF ATTORNEY MAY BE EXERCISED AFTER THE TERMINATION OR EXPIRATION OF THE LOAN TERM AND/OR DURING OR AFTER ANY EXTENSIONS OF THE LOAN TERM OR RENEWALS THEREOF.

BY: _____
TITLE: _____

(12) The Maker hereby waives the benefit of any present or future law or rule of procedure authorizing stay of execution on any judgment recovered on this Note, and the exemption of property from levy and sale there under, and any and all errors, defects, and imperfections whatsoever of a procedural nature in the entry of any judgment or in any process or proceedings thereon or relating to the same.

(13) Upon any negotiation, sale or assignment of this Note, the holder hereof may deliver same to the transferee or purchaser who shall thereupon become the holder hereunder and as such shall have and may exercise all powers, rights and options with respect to same and otherwise hereby given to the holder, or otherwise available to Holder pursuant to the terms and conditions of the Loan Agreement, and such former holder who thus negotiates, sells or assigns this note shall thereafter be forever relieved and fully discharged from any liability or accountability with respect to same.

(14) If any provision hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not effect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. This Note shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

(15) All of the foregoing agreements and obligations including, without limitation, the warrant of attorney to confess judgment, shall bind the Maker and its successors and assigns, and shall inure to the benefit of the Holder, its successors and assigns.

In Witness Whereof, the Maker has duly caused this Note to be duly executed by its duly authorized representative, the day and year first above written, intending to be legally bound.

Attest:

Dr. Mary Grace Rizzo-Fryzel, DMD

By: _____

Owner

Date: _____

“Amortization Schedule”

July 1, 2019 to June 1, 2029

Inputs	
Loan Amount	\$ 140,000
Annual Interest Rate	2.50%
Term of Loan in Years	10
First Payment Date	7/1/2019
Frequency of Payment	Monthly

Payment (per period) **\$1,319.78**

Summary	
Rate (per period)	0.208%
Total Payments	\$158,373.49
Total Interest	\$18,373.49
Interest Savings	(\$0.06)

Comparison Table (assuming no extra payments)			
Frequency	Payment	Total	Interest
Annually	\$15,996.23	\$159,962.30	\$19,962.30
Semi-Annually	\$7,954.85	\$159,097.00	\$19,097.00
Quarterly	\$3,966.58	\$158,663.20	\$18,663.20
Bi-Monthly	\$2,641.97	\$158,518.20	\$18,518.20
Monthly	\$1,319.78	\$158,373.60	\$18,373.60
Semi-Monthly	\$659.59	\$158,301.60	\$18,301.60
Bi-Weekly	\$608.83	\$158,295.80	\$18,295.80
Weekly	\$304.35	\$158,262.00	\$18,262.00

Amortization Schedule for Electric City Dentistry

No.	Due Date	Payment Due	Additional Payment	Interest	Principal	Balance	Payment Rcd	Check #
						\$140,000.00		
1	7/1/2019	1,319.78		291.67	1,028.11	138,971.89		
2	8/1/2019	1,319.78		289.52	1,030.26	137,941.63		
3	9/1/2019	1,319.78		287.38	1,032.40	136,909.23		
4	10/1/2019	1,319.78		285.23	1,034.55	135,874.68		
5	11/1/2019	1,319.78		283.07	1,036.71	134,837.97		
6	12/1/2019	1,319.78		280.91	1,038.87	133,799.10		
7	1/1/2020	1,319.78		278.75	1,041.03	132,758.07		
8	2/1/2020	1,319.78		276.58	1,043.20	131,714.87		
9	3/1/2020	1,319.78		274.41	1,045.37	130,669.50		
10	4/1/2020	1,319.78		272.23	1,047.55	129,621.95		
11	5/1/2020	1,319.78		270.05	1,049.73	128,572.22		
12	6/1/2020	1,319.78		267.86	1,051.92	127,520.30		
13	7/1/2020	1,319.78		265.67	1,054.11	126,466.19		
14	8/1/2020	1,319.78		263.47	1,056.31	125,409.88		
15	9/1/2020	1,319.78		261.27	1,058.51	124,351.37		
16	10/1/2020	1,319.78		259.07	1,060.71	123,290.66		
17	11/1/2020	1,319.78		256.86	1,062.92	122,227.74		
18	12/1/2020	1,319.78		254.64	1,065.14	121,162.60		
19	1/1/2021	1,319.78		252.42	1,067.36	120,095.24		

20	2/1/2021	1,319.78	250.20	1,069.58	119,025.66
21	3/1/2021	1,319.78	247.97	1,071.81	117,953.85
22	4/1/2021	1,319.78	245.74	1,074.04	116,879.81
23	5/1/2021	1,319.78	243.50	1,076.28	115,803.53
24	6/1/2021	1,319.78	241.26	1,078.52	114,725.01
25	7/1/2021	1,319.78	239.01	1,080.77	113,644.24
26	8/1/2021	1,319.78	236.76	1,083.02	112,561.22
27	9/1/2021	1,319.78	234.50	1,085.28	111,475.94
28	10/1/2021	1,319.78	232.24	1,087.54	110,388.40
29	11/1/2021	1,319.78	229.98	1,089.80	109,298.60
30	12/1/2021	1,319.78	227.71	1,092.07	108,206.53
31	1/1/2022	1,319.78	225.43	1,094.35	107,112.18
32	2/1/2022	1,319.78	223.15	1,096.63	106,015.55
33	3/1/2022	1,319.78	220.87	1,098.91	104,916.64
34	4/1/2022	1,319.78	218.58	1,101.20	103,815.44
35	5/1/2022	1,319.78	216.28	1,103.50	102,711.94
36	6/1/2022	1,319.78	213.98	1,105.80	101,606.14
37	7/1/2022	1,319.78	211.68	1,108.10	100,498.04
38	8/1/2022	1,319.78	209.37	1,110.41	99,387.63
39	9/1/2022	1,319.78	207.06	1,112.72	98,274.91
40	10/1/2022	1,319.78	204.74	1,115.04	97,159.87
41	11/1/2022	1,319.78	202.42	1,117.36	96,042.51
42	12/1/2022	1,319.78	200.09	1,119.69	94,922.82
43	1/1/2023	1,319.78	197.76	1,122.02	93,800.80
44	2/1/2023	1,319.78	195.42	1,124.36	92,676.44
45	3/1/2023	1,319.78	193.08	1,126.70	91,549.74
46	4/1/2023	1,319.78	190.73	1,129.05	90,420.69
47	5/1/2023	1,319.78	188.38	1,131.40	89,289.29
48	6/1/2023	1,319.78	186.02	1,133.76	88,155.53
49	7/1/2023	1,319.78	183.66	1,136.12	87,019.41
50	8/1/2023	1,319.78	181.29	1,138.49	85,880.92
51	9/1/2023	1,319.78	178.92	1,140.86	84,740.06
52	10/1/2023	1,319.78	176.54	1,143.24	83,596.82
53	11/1/2023	1,319.78	174.16	1,145.62	82,451.20
54	12/1/2023	1,319.78	171.77	1,148.01	81,303.19
55	1/1/2024	1,319.78	169.38	1,150.40	80,152.79

56	2/1/2024	1,319.78	166.98	1,152.80	78,999.99
57	3/1/2024	1,319.78	164.58	1,155.20	77,844.79
58	4/1/2024	1,319.78	162.18	1,157.60	76,687.19
59	5/1/2024	1,319.78	159.76	1,160.02	75,527.17
60	6/1/2024	1,319.78	157.35	1,162.43	74,364.74
61	7/1/2024	1,319.78	154.93	1,164.85	73,199.89
62	8/1/2024	1,319.78	152.50	1,167.28	72,032.61
63	9/1/2024	1,319.78	150.07	1,169.71	70,862.90
64	10/1/2024	1,319.78	147.63	1,172.15	69,690.75
65	11/1/2024	1,319.78	145.19	1,174.59	68,516.16
66	12/1/2024	1,319.78	142.74	1,177.04	67,339.12
67	1/1/2025	1,319.78	140.29	1,179.49	66,159.63
68	2/1/2025	1,319.78	137.83	1,181.95	64,977.68
69	3/1/2025	1,319.78	135.37	1,184.41	63,793.27
70	4/1/2025	1,319.78	132.90	1,186.88	62,606.39
71	5/1/2025	1,319.78	130.43	1,189.35	61,417.04
72	6/1/2025	1,319.78	127.95	1,191.83	60,225.21
73	7/1/2025	1,319.78	125.47	1,194.31	59,030.90
74	8/1/2025	1,319.78	122.98	1,196.80	57,834.10
75	9/1/2025	1,319.78	120.49	1,199.29	56,634.81
76	10/1/2025	1,319.78	117.99	1,201.79	55,433.02
77	11/1/2025	1,319.78	115.49	1,204.29	54,228.73
78	12/1/2025	1,319.78	112.98	1,206.80	53,021.93
79	1/1/2026	1,319.78	110.46	1,209.32	51,812.61
80	2/1/2026	1,319.78	107.94	1,211.84	50,600.77
81	3/1/2026	1,319.78	105.42	1,214.36	49,386.41
82	4/1/2026	1,319.78	102.89	1,216.89	48,169.52
83	5/1/2026	1,319.78	100.35	1,219.43	46,950.09
84	6/1/2026	1,319.78	97.81	1,221.97	45,728.12
85	7/1/2026	1,319.78	95.27	1,224.51	44,503.61
86	8/1/2026	1,319.78	92.72	1,227.06	43,276.55
87	9/1/2026	1,319.78	90.16	1,229.62	42,046.93
88	10/1/2026	1,319.78	87.60	1,232.18	40,814.75
89	11/1/2026	1,319.78	85.03	1,234.75	39,580.00
90	12/1/2026	1,319.78	82.46	1,237.32	38,342.68
91	1/1/2027	1,319.78	79.88	1,239.90	37,102.78

92	2/1/2027	1,319.78	77.30	1,242.48	35,860.30
93	3/1/2027	1,319.78	74.71	1,245.07	34,615.23
94	4/1/2027	1,319.78	72.12	1,247.66	33,367.57
95	5/1/2027	1,319.78	69.52	1,250.26	32,117.31
96	6/1/2027	1,319.78	66.91	1,252.87	30,864.44
97	7/1/2027	1,319.78	64.30	1,255.48	29,608.96
98	8/1/2027	1,319.78	61.69	1,258.09	28,350.87
99	9/1/2027	1,319.78	59.06	1,260.72	27,090.15
100	10/1/2027	1,319.78	56.44	1,263.34	25,826.81
101	11/1/2027	1,319.78	53.81	1,265.97	24,560.84
102	12/1/2027	1,319.78	51.17	1,268.61	23,292.23
103	1/1/2028	1,319.78	48.53	1,271.25	22,020.98
104	2/1/2028	1,319.78	45.88	1,273.90	20,747.08
105	3/1/2028	1,319.78	43.22	1,276.56	19,470.52
106	4/1/2028	1,319.78	40.56	1,279.22	18,191.30
107	5/1/2028	1,319.78	37.90	1,281.88	16,909.42
108	6/1/2028	1,319.78	35.23	1,284.55	15,624.87
109	7/1/2028	1,319.78	32.55	1,287.23	14,337.64
110	8/1/2028	1,319.78	29.87	1,289.91	13,047.73
111	9/1/2028	1,319.78	27.18	1,292.60	11,755.13
112	10/1/2028	1,319.78	24.49	1,295.29	10,459.84
113	11/1/2028	1,319.78	21.79	1,297.99	9,161.85
114	12/1/2028	1,319.78	19.09	1,300.69	7,861.16
115	1/1/2029	1,319.78	16.38	1,303.40	6,557.76
116	2/1/2029	1,319.78	13.66	1,306.12	5,251.64
117	3/1/2029	1,319.78	10.94	1,308.84	3,942.80
118	4/1/2029	1,319.78	8.21	1,311.57	2,631.23
119	5/1/2029	1,319.78	5.48	1,314.30	1,316.93
120	6/1/2029	1,319.67	2.74	1,316.93	0.00

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (hereinafter referred to as the "AGREEMENT") dated the _____ day of _____, **2019**, by and between THE CITY OF SCRANTON, a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania with offices at 340 N. Washington Avenue, Scranton, Pennsylvania 18503, (hereinafter referred to as the "CITY")

-and-

Rizzo-Fryzel Dental Group, PLLC, (dba Electric City Dentistry), a Professional Pennsylvania corporation with a principal place of business located at 300 Lackawanna Avenue, Unit 107, Scranton, PA 18503 (hereinafter referred to as "BORROWER")

WHEREAS, BORROWER has certain Liabilities (as defined herein) to CITY under a certain Loan to Grant Agreement dated even date herewith; and,

WHEREAS, the CITY and BORROWER desire and intend to secure repayment of said Liabilities by BORROWER granting to CITY a security interest in the Collateral (as defined herein); and,

NOW, THEREFORE, the Borrower hereto, intending to be legally bound hereby, agrees as follows:

1. **COLLATERAL** The word "Collateral" as used in this AGREEMENT means the following described property: all machinery and equipment of the BORROWER, whether now or hereafter existing, or now owned or hereafter acquired and the products and proceeds of any of the foregoing, including all proceeds, and all accessions thereto, direct or contingent.

In addition, the word "Collateral" also includes all of the following; whether now owned or hereafter acquired by BORROWER, whether now existing or hereafter arising, and wherever located;

(a) All accessions, attachments, accessories, tools, parts, supplies, replacements of and additions to any of the Collateral described herein, whether added now or later.

(b) All products and produce of any property described in this Collateral section.

(c) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.

2. **GRANT OF SECURITY INTEREST** In consideration of, and as security for, the Liabilities of BORROWER to CITY described below, BORROWER grants CITY a first priority security interest in all the Collateral, together with all present and future products of Collateral and all present and future proceeds of Collateral (including but not limited to all leases, rents, issues, profits, credits, rebates, refunds, increases, replacements of and additions and accessions to the Collateral and all cash and non-cash insurance proceeds). This right to proceeds does not, and shall not be interpreted to constitute authorization or consent by CITY to any disposition of any Collateral. This AGREEMENT and the security interest granted herein shall stand as general and continuing security for all Liabilities and may be retained by CITY until all Liabilities have been satisfied in full; provided, however, that this AGREEMENT shall not be rendered void by the fact that no Liabilities or commitment by CITY to make advances to BORROWER exists as of any particular date, but shall continue in full force and effect until the filing of a termination statement signed by CITY with respect to all the Collateral.

As additional security for the Liabilities, BORROWER conveys, assigns and grants a security interest to CITY in and to all present and future files, books, ledgers, records, bills, invoices, receipts, deeds, certificates or documents of ownership, warranties, bills of sale and all other data and data storage systems and media pertaining to any of the Collateral.

3. **LIABILITIES** The Collateral secures, and will secure, all Liabilities of BORROWER to CITY. Liabilities as used herein shall mean and include any past, present or future loans, notes, mortgages, bonds, advances, re-advances, substitutions, extensions, renewals, interest, late charges, penalties, costs, and fees of any and all types, whether primary, secondary, absolute or contingent, direct or indirect, joint several or independent, voluntary or involuntary, (including overdrafts), now or hereafter existing, due or to become due, or held or to be held by, CITY for its own account or as agent for another or others, whether created directly or acquired by negotiation, assignment or otherwise, and all instruments and documents evidencing any of the above and shall also include but not be limited to that certain Promissory Note, dated the _____ day of _____, **2019**, in the amount of One Hundred Forty Thousand Dollars (\$140,000.00) given by BORROWER to CITY.

4. **FUTURE ADVANCES** The Liabilities secured hereby include all future advances made at any time or times to or for the benefit of BORROWER, whether obligatory or optional, including all costs, expenses, court costs and reasonable attorneys' fees incurred in the collection of the Liabilities and/or the Collateral or the disposition of the Collateral, and any advances made at any time or times for the payment of taxes or insurance or the maintenance or repair of the Collateral, or for the establishment, maintenance or enforcement of CITY'S security interest therein.

5. **ADDITIONAL SECURITY** As additional Collateral to secure the Liabilities, BORROWER grants to CITY a first priority security interest in all of BORROWER'S present and future deposits or other monies due from CITY, instruments, documents, policies and certificates of insurance, securities, goods, accounts receivable, chooses in action, chattel paper, currency, property and the proceeds thereof, owned by BORROWER or in which BORROWER has an interest, now or hereafter in the possession or control of CITY or in transit by mail or carrier to or from CITY or in the possession of any other person acting in CITY'S behalf, without regard to whether CITY received the same in pledge, for safekeeping, as agent for collection or transmission or otherwise, or whether CITY has conditionally released the same. The property described in this Paragraph 5 shall constitute part of the Collateral for all purposes under this AGREEMENT.

6. **OWNERSHIP; OTHER LIENS** BORROWER represents and warrants that BORROWER is or, as to Collateral to be acquired after the date hereof will be, the sole owner of the Collateral, and that this AGREEMENT creates a valid first priority lien in and to all Collateral and that there are no liens and there will be no other liens, security interests, encumbrances or adverse claims by any person to any of the Collateral except as previously disclosed in writing and acknowledged by CITY. BORROWER covenants and agrees to keep the Collateral free from, defend it against, discharge and immediately notify CITY in writing of, any and all other liens, security interests or encumbrances, prior assignments, claims, set-offs or demands of all persons at any time claiming any Collateral or any interest therein.

7. **PURCHASE MONEY LOAN** BORROWER covenants and agrees that any Liabilities created for the purpose of enabling BORROWER to acquire rights in or use of any Collateral will be used solely for such purpose and for no other purpose, and authorizes CITY to disburse the proceeds of such purchase money loan directly to the seller.

8. **LOCATION, USE OF COLLATERAL** BORROWER
represents and warrants that:

(a) Collateral is being and will be kept at BORROWER'S business address set forth in this AGREEMENT, and covenants and agrees not to remove the Collateral therefrom without CITY'S prior written consent.

(b) Collateral is being used and will be used exclusively for the purpose(s) indicated in this AGREEMENT and covenants and agrees not to change such use without CITY'S prior written consent.

9. **BORROWER'S IDENTITY, ADDRESS(ES)** BORROWER
represents and warrants that its official name is accurately and completely set forth in this AGREEMENT and covenants and agrees that it will not change its name or its status indicated herein without CITY'S prior written consent.

BORROWER represents and warrants that the address set forth in this AGREEMENT is its principal business address, if BORROWER is engaged in business and covenants and agrees that it will not change such address or the other locations set forth herein or acquire additional addresses, without at least thirty (30) days' prior written notice to CITY setting forth the effective date of such change and such new address.

10. **MAINTENANCE, INSURANCE OF COLLATERAL**
BORROWER, at its own expense, covenants and agrees to:

(a) properly maintain and care for the Collateral and protect and care for all Collateral covered by this AGREEMENT, all in accordance with the highest standards customary for businesses similar to BORROWER'S if BORROWER uses the Collateral in business operations;

(b) maintain such insurance covering the Collateral against fire, theft, vandalism and such other risks or hazards as CITY may require in such amounts and with such insurance companies as are satisfactory to CITY, which insurance shall protect CITY'S interest in the Collateral as secured lender under separate endorsement or clause not subject to any defenses which such insurance company may have against BORROWER;

(c) deliver to CITY, on demand, the contract(s) of insurance or furnish other proof of such insurance to CITY; and

(d) comply fully with, and refrain from any use of the Collateral in violation of, any requirements of any insurer of the collateral.

In the event of any loss, CITY, at its option, may (i) retain and apply all or any part of the insurance proceeds to reduce, in such order and amounts as CITY may elect, the unpaid balance of the Liabilities, or (ii) disburse all or any part of such insurance proceeds to or for the benefit of BORROWER for the purpose of repairing or replacing the Collateral after receiving proof satisfactory to CITY of such repair or replacement, in either case without waiving or impairing the Liabilities of any other provision of this AGREEMENT. BORROWER assigns to CITY any return or unearned premiums which may be due upon cancellation of any such policies for any reason whatsoever and directs the insurers to pay to CITY any amounts so due, and BORROWER appoints CITY its attorney-in-fact to endorse any draft or check which may be payable to BORROWER in order to collect any return or unearned premiums or the proceeds of such insurance.

11. **TAXES; COMPLIANCE** BORROWER covenants and agrees to pay, on or before the due date thereof, all federal, state and local taxes, assessments and other governmental charges of every nature which may be levied or assessed against the Collateral, and to comply fully with, and refrain from any use of the Collateral in violation of, any applicable statutes, regulations or ordinances.

12. **RIGHT TO REMEDY CERTAIN DEFAULTS** In the event BORROWER fails to maintain the Collateral, or pay any federal, state or local taxes, assessments or other governmental charges or claims, or fails to maintain insurance on the Collateral and pay all premiums for such insurance, or fails to make any necessary repairs or permits waste, CITY, at its election and without notice or demand to BORROWER, shall have the right, but not the obligation, to make any payment or expenditure with the right of subrogation thereunder, including but not limited to purchasing any lender's single interest to protect its security interest in the Collateral or its rights under this AGREEMENT, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, without prejudice to any of CITY'S rights or remedies available under this AGREEMENT or otherwise, at law or in equity. All such sums, as well as costs, advanced by CITY pursuant to this AGREEMENT, shall be secured by this AGREEMENT, and shall bear interest at the highest rate payable on any of the Liabilities from the date of payment by CITY until paid in full.

13. **DISPOSITION: PROCEEDS** Except as, and only to the extent expressly permitted in this Paragraph 13 or in Paragraph 15, BORROWER will not sell, assign, lease or otherwise dispose of, attempt or contract to sell, assign, lease or otherwise dispose of, any Collateral or any interest, right or privilege therein.

BORROWER covenants and agrees to deliver immediately to CITY, or such other person as CITY may designate, any instrument, document, or chattel paper arising out of or in connection with any Collateral. BORROWER further covenants and agrees not to use cash proceeds to purchase or otherwise acquire any interest whatsoever in any property not covered by this AGREEMENT without CITY'S prior written consent.

14. **NOTIFICATION OF ADVERSE EVENTS** BORROWER immediately will notify CITY in writing of any occurrence, event, circumstance or condition which affects or will affect the Collateral or the value thereof, BORROWER'S or CITY'S ability to dispose of the Collateral or CITY'S rights or remedies with regard thereto, including but not limited to the issuance or levy of any legal process against the Collateral or the adoption of any order, arrangement or procedure affecting the Collateral, whether governmental or otherwise.

BORROWER waives and releases all laws and rules of procedure now in force or hereafter enacted, relating to exemption from, or stay of execution and/or sale, and the opening and/or striking off any judgment. In the event BORROWER shall make application for or seek relief or protection under any of the sections or chapters of the United States Bankruptcy Code (hereinafter referred to as the "Code"), or in the event that any involuntary petition is filed against BORROWER under any section or chapter of the Code, CITY shall thereupon be entitled to immediate relief from any automatic stay imposed by Section 362 of the Code (or any successor provision) or otherwise on or against the exercise of the rights and remedies otherwise available to CITY as provided herein or as otherwise provided by law or equity. BORROWER agrees not to contest the validity or enforceability of this Section 14.

15. **CITY'S RIGHTS**

(a) BORROWER covenants and agrees that CITY may, at its option and at BORROWER'S expense, at any time and from time to time whether or not a Default has occurred:

(1) require BORROWER to segregate all cash proceeds so that they may be identified readily, and deliver the same to CITY at such time or times and in such manner and form as CITY may direct;

(2) require BORROWER to deliver to CITY, at such time or times and in such manner and form as CITY may direct, records, schedules and other documentation and data sufficient to show the

status, condition, value or location of, or any other information pertaining to, the Collateral;

(3) verify the Collateral, inspect BORROWER'S books and records and make copies thereof or extracts therefrom, and require BORROWER to furnish such witnesses as may be necessary to establish legal proof of the Collateral or such records;

(4) require, as a condition to its consent to any disposition of Collateral requiring CITY'S consent, that BORROWER pay or deliver or cause to be paid or delivered directly to CITY, or such other person as CITY may designate, the proceeds of such disposition, agree to increase the rate of interest payable in respect of any of the Liabilities, or comply with any other requirement of CITY;

(5) notify debtors or obligors of any Accounts or Chattel Paper, or any buyers or lessees of any of the Collateral or any other persons, of CITY'S interest in the Collateral and require such persons to deliver all proceeds to CITY or such other person as CITY may designate, at such time or times and in such manner and form as CITY may direct; and in connection therewith BORROWER irrevocably authorizes and appoints CITY its attorney-in-fact, with full power of substitution, to endorse or sign BORROWER'S name on all collections, checks, notes, drafts, receipts or other instruments or documents, take possession of and open the BORROWER'S mail and remove proceeds therefrom, and such account debtors, Obligors, buyers or lessees may accept the receipt of CITY in such circumstances as a full release and acquittance for any amount so paid;

(6) at reasonable times enter upon any property where any Collateral is located to examine the Collateral, such property and any buildings or improvements thereon, and use BORROWER'S equipment, machinery, office equipment and other facilities if CITY deems such use necessary or advisable to protect, preserve, maintain, process, develop or harvest any of the Collateral;

(7) prohibit BORROWER from attaching any Collateral to any land or building or other improvement thereon in any manner which might cause such Collateral to become a part thereof, and/or require BORROWER to obtain from any owner, encumbrancer or other person having an interest in the property where any Collateral is located, written consent to CITY'S removal of the Collateral therefrom, without liability on the part of CITY to such owner, encumbrancer or other person, or require BORROWER to obtain from any such owner, encumbrancer or other person such waivers of any interest in the Collateral as CITY may require;

(8) place or require BORROWER to place on any instrument, document or Chattel Paper, or upon BORROWER'S books, records, documents or other data relating to accounts or general intangibles, a notation or legend indicating CITY'S security interest therein;

(9) in BORROWER'S and/or CITY'S name (as CITY in its sole discretion may determine) demand, collect, receive and receipt for, compound, compromise, settle and give acquittance for, and prosecute and discontinue or dismiss, with or without prejudice, and suits or proceedings respecting any of the Collateral;

(10) prohibit BORROWER from granting any person rebate, refund, allowance or credit, or accepting from any person any return of any Collateral, without CITY'S prior written consent, which consent may be conditioned upon any requirement for payment or additional collateral from BORROWER as CITY, in its sole discretion, may determine;

(11) secure credit in the name of BORROWER or in the name of CITY, or pay, settle, or otherwise discharge any unpaid bills or charges for goods delivered or services rendered to or for the benefit of BORROWER, if CITY reasonably determines, in its sole discretion, that such action is necessary or advisable to protect, maintain or preserve the Collateral or CITY'S security interest therein;

(12) furnish to CITY, on demand or as soon as possible thereafter, such additional property as Collateral as CITY may from time to time require; or

(13) take any action which CITY may deem necessary or desirable in order to realize on any of the Collateral, including without limitation the power to perform any contract or to endorse in the name of BORROWER any checks, notes, drafts, receipts or other instruments or documents received in payment of or on account of, or constituting, any of the Collateral, BORROWER irrevocably appoints CITY its attorney-in-fact with full power of substitution for all or any such acts or purposes.

(b) the foregoing rights are cumulative and may be exercised by CITY singularly or in any combination at any time and from time to time, as often as CITY deems necessary or advisable.

16. **OTHER DOCUMENTS, ACTS** BORROWER covenants and agrees that it will, at any time or times and from time to time, at its own expense, execute and deliver or cause to be executed and delivered such security agreements, certificates, certificates of title, pledges,

assignments, financing statements, continuation financing statements, amendments, acknowledgements and other documents, and will perform or cause to be performed such other acts, as CITY may request in order to establish, preserve or maintain a valid and continuously perfected security interest in, or to determine the priority of, or terminate or enforce CITY'S security interest in, the Collateral, and pay all costs and expenses incurred in connection therewith. To the extent legally permissible, BORROWER irrevocably authorizes and appoints CITY as its attorney-in-fact with full power of substitution, to execute on BORROWER'S behalf and file at BORROWER'S expense a financing statement or statements, or alternatively, a copy of this AGREEMENT to perfect CITY'S security interest, or any amendment or amendments thereto, in those public offices deemed necessary or appropriate by CITY to establish, maintain and protect a continuously perfected security interest in the Collateral.

17. **DEFAULT** The occurrence of any one or more of the following shall constitute a Default under this AGREEMENT:

(a) non-payment of any of the Liabilities, or any portion thereof, when and in the manner due, whether by acceleration or otherwise;

(b) failure by BORROWER to observe or perform any covenant, agreement, condition or term of this AGREEMENT or failure by BORROWER to observe or perform any covenant, agreement, condition or term or any default under any other document, note, bond, mortgage or other writing between BORROWER and CITY;

(c) breach by BORROWER or any other Obligor (which term shall refer to any maker, co-maker, endorser, guarantor or surety of, or other person obligated under any statute for, any of the Liabilities) of any obligation or duty to CITY;

(d) any representation or warranty in any financial or other statement, schedule, certificate or other document of BORROWER or any other Obligor delivered to CITY by or on behalf of BORROWER or any other Obligor shall prove to be false, misleading or incomplete in any material respect;

(e) a material adverse change occurs in the financial condition of BORROWER or any other Obligor which is unacceptable to CITY in its sole discretion from the condition most recently disclosed to CITY in any manner;

(f) BORROWER or other Obligor dies, dissolves, liquidates, merges, reorganizes or ceases to conduct operations, or prepares or attempts to do any of the foregoing;

(g) a trustee or receiver is appointed for BORROWER or any other Obligor or for all or a substantial part of its or their property in any involuntary proceeding, or any court has taken jurisdiction of all or any substantial part of the property of BORROWER or other Obligor in any involuntary proceedings, or BORROWER or any other Obligor files a petition or answer not denying jurisdiction in Bankruptcy or under any similar law, state or federal, now or hereafter existing, or such a petition is filed against BORROWER or any other Obligor, or BORROWER or other Obligor becomes insolvent, howsoever evidenced, or makes an assignment for the benefit of creditors or admits in writing its or their inability to pay its or their debts generally as they become due, or fails within sixty (60) days to pay or bond or otherwise discharge any judgment or attachment which is unstayed on appeal, or if BORROWER or any other Obligor advertises a "going out of business" or liquidation sale, or holds or permits such a sale;

(h) BORROWER or any other Obligor expresses an intent to terminate or revoke responsibility for any of the Liabilities, or defaults under any other note, agreement, lease, indenture, mortgage or obligation incurred pursuant thereto, or a judgment is entered against BORROWER or any other Obligor evidencing either singly or in the aggregate a material obligation, the effect of which accelerates or entitles the holder thereof to accelerate any maturity thereof or results in the forfeiture by BORROWER or any other Obligor or its rights under any such note, agreement, lease, indenture or mortgage;

(i) any property of BORROWER or any other Obligor becomes the subject of any attachment, garnishment, levy or lien (unless expressly permitted in writing signed by CITY);

(j) any substantial part of the property of BORROWER or any other Obligor is taken or condemned by any governmental authority;

(k) BORROWER or any other Obligor assigns or otherwise transfers, or attempts to assign or transfer, any of its right, title and interest in any of the Collateral without the prior written consent of CITY;

(l) BORROWER or any other Obligor fails to furnish financial or other information as CITY may reasonably request;

(m) if there is any change in BORROWER'S or any other Obligor's officers, principal owners or partners as the case may be, which is unacceptable to CITY in its sole discretion; or

(n) CITY, in the reasonable and good faith exercise of its sole discretion deems itself or the Collateral unsecure for any reason whatsoever;

(o) the failure by BORROWER to strictly comply with any federal, state or local statute, regulation, rule, order, or other judicial or administrative order relating to the Collateral.

18. **REMEDIES**

(a) Upon the occurrence of one or more Defaults, CITY may exercise any one or more of the following remedies, which are cumulative and may be exercised singularly or in any combination at any time and from time to time as long as any Default continues, without notice or demand to BORROWER or any other Obligor except as expressly required under this AGREEMENT or any applicable provision of law which cannot be waived prior to Default:

(1) declare all or any part of the Liabilities, together with costs of collection, including attorney's fees of fifteen percent (15%) of the unpaid principal, immediately due and payable, as if the same had in the first instance been payable as such time, without requiring any recourse against any other person or property liable for or securing any of the Liabilities;

(2) exercise any right of set-off which CITY may have against BORROWER or any other Obligor;

(3) exercise all or any of the rights and remedies of a secured party under the Uniform Commercial Code or as creditor under any other applicable law;

(4) require BORROWER to assemble the Collateral and any records pertaining thereto and make them available to CITY at a time and place designated by CITY;

(5) enter the premises of BORROWER and take possession of the Collateral and any records pertaining thereto, and also take possession of all personal property located in or attached to the Collateral without liability to BORROWER and hold such property for BORROWER at BORROWER'S expense;

(6) use, operate, manage, lease, or otherwise control the Collateral in any lawful manner, collect and receive all rents, income, revenue, earnings, issues and profits therefrom and, in its sole discretion but without any obligation to do so, insure, maintain, repair, renovate, alter or remove the Collateral;

(7) grant extensions or compromise or settle claims for less than face value relative to the proceeds without prior notice to BORROWER or any other Obligor;

(8) use, in connection with any assembly, use or disposition of the Collateral, any trademark, trade name, trade style, copyright, brand, patent right, license or technical process used or utilized by BORROWER;

(9) take such actions as CITY may deem necessary or advisable to preserve, process, develop, maintain, protect, care for or insure the Collateral or any portion thereof, and BORROWER irrevocably appoints CITY as its attorney-in-fact to do all acts and things in connection therewith; or

(10) sell or otherwise dispose of all or any of the collateral at public or private sale at any time or times without advertisement or demand upon or notice to BORROWER or any other Obligor, all of which are expressly waived to the extent permitted by law, with the right of CITY or its nominee to become purchaser at any sale (unless prohibited by statute) free from any equity of redemption and from all other claims, and after deducting all legal and other expenses for maintaining or selling the Collateral and all attorney's fees, legal or other expenses for collection, sale and delivery, apply the remaining proceeds of any sale to pay (or hold as a reserve against) any of the Liabilities.

(b) except to the extent limited by non-waivable provision of statute, CITY shall not be liable to any person whatsoever, for, or in connection with, the exercise, method of exercise, delay or failure to exercise any of the remedies provided for herein, and BORROWER shall indemnify, and agrees to hold harmless and waives and releases CITY from any and all claims, liabilities, actions, costs, suits, demands, damages or losses, whatsoever occurring on account of or in connection with such exercise, method of exercise, delay or failure to exercise.

(c) In the event BORROWER shall make application for or seek relief or protection under any of the sections or chapters of the United States Bankruptcy Code ("the Code"), or in the event that any involuntary petition is filed against BORROWER under any section or chapter of the Code, CITY shall thereupon be entitled to immediate relief from any

automatic stay imposed by Section 362 of the Code (or any Successor provision) or otherwise on or against the exercise of the rights and remedies otherwise available to CITY as provided in this AGREEMENT, and any documents referred to in this AGREEMENT (as currently in effect, as might be modified, or otherwise) and as otherwise provided by law. BORROWER agrees not to contest the validity or enforceability of this Section 19(c).

19. **NOTICES** Any notices required to be given to BORROWER shall be deemed reasonably and properly given if mailed at least twenty (20) days before any action contemplated in such notice shall be taken, postage prepaid, addressed to BORROWER at the address set forth in the introduction to this AGREEMENT.

20. **WAIVERS; INVALIDITY** No delay or failure by CITY in the exercise of any right or remedy shall constitute a waiver thereof, and no single or partial exercise by CITY of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy provided for in this AGREEMENT shall not preclude CITY from exercising or enforcing the same at any time or time thereafter.

If any provision of this AGREEMENT shall be held for any reason to be invalid, illegal or unenforceable in any respect, such impairment shall not affect any other provision hereof.

IT IS EXPRESSLY AGREED BY BORROWER AND CITY THAT IN ANY ACTION OR PROCEEDING BROUGHT BY BORROWER OR OTHERWISE COMMENCED AGAINST CITY ARISING OUT OF OR BASED UPON ANY PROVISION OF THIS AGREEMENT OR THE LIABILITIES, BORROWER FOR THEMSELVES, THEIR HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS AND ASSIGNS HEREBY WAIVE ANY RIGHT TO TRIAL OF ANY ISSUE OF FACT BY JURY, WHETHER SUCH TRIAL BY JURY IS PROVIDED FOR BY LAW, EQUITY OR APPLICABLE RULE OF CIVIL PROCEDURE.

21. **EXPENSES** BORROWER agrees to pay or reimburse CITY, immediately upon demand at any time or times, for all expenses incurred to perfect, protect and maintain continuously perfected CITY'S security interest and the priority thereof, in the Collateral, or to preserve, process, develop, maintain, protect, care for or insure any Collateral, or in the taking, holding preparing for sale, lease or other disposition, selling, leasing or otherwise disposing of the Collateral, or any other action taken by CITY to enforce or exercise its rights or remedies under this AGREEMENT, including without limitation reasonable attorney's fees, filing fees, documentary recordation taxes, appraisal charges and storages costs. If CITY advances any sums for such purposes,

BORROWER shall reimburse CITY therefore on demand, and such advance(s) shall bear interest at two percent (2%) per annum over the highest rate then payable on any of the Liabilities from the date(s) of such advance(s) and both the amount of such advance(s) and such interest shall constitute part of the Liabilities secured hereby.

22. **LEGAL EFFECT** This AGREEMENT binds and inures to the benefit of CITY, BORROWER, and their respective heirs, executors, administrators, representatives, successors and assigns.

23. **CONSTRUCTION** Whenever used in this AGREEMENT, unless the context clearly indicates a contrary intent:

(a) "BORROWER" shall mean each person (whether individual, corporation, partnership or unincorporated association) who executed this AGREEMENT, and any subsequent owner of the Collateral, and its or their respective heirs, executors, administrators, successors and assigns;

(b) "CITY" shall mean CITY of Scranton and its successors and assigns;

(c) the use of any gender shall include all genders;

(d) the singular shall include the plural, and the plural shall include the singular; and,

(e) if BORROWER is more than one person, all agreements, conditions, covenants and provisions of this AGREEMENT shall be joint and several undertaking of each of them and shall bind each of them as fully as though each of them were named specifically herein wherever "BORROWER" is used,

24. **AUTHORIZATION** BORROWER's execution, delivery, and performance of the AGREEMENT and all other related documents has been duly authorized by all necessary actions on the part of BORROWER, do not require the consent or approval of any other person, regulatory authority, or governmental body, and do not conflict with, result in a violation of, or constitute default under (1) any other agreements or other instruments binding upon BORROWER or (2) any law, governmental regulation, court decree, or other order applicable to BORROWER or to BORROWER'S properties. BORROWER has the power and authority to enter into this Agreement and to grant Collateral as security for the Liabilities. BORROWER has the further power and authority to own and to hold all of BORROWER'S assets and properties and to carry on BORROWER'S business as presently conducted.

25. **APPLICABLE LAW** This AGREEMENT shall be governed by and construed and enforced in accordance with the substantive law of the Commonwealth of Pennsylvania. All terms used herein shall have the meanings given to them by the Pennsylvania Uniform Commercial Code, to the extent not otherwise defined herein.

26. **ENTIRE AGREEMENT** This AGREEMENT and the documents executed and delivered pursuant hereto, constitute the entire agreement of the parties and may be amended only by writing signed by or on behalf of each party.

ATTEST:

BORROWER:

Dr. Mary Grace Rizzo-Fryzel, DMD

By: _____

Owner

Date: _____

G U A R A N T Y

Pursuant to this Guaranty dated the ____ day of _____, **2019** the undersigned, **Dr. Mary Grace Rizzo-Fryzel DMD**, (GUARANTOR) 30 Birch Hill Road, South Abington TWP Pa 18411, hereby unconditionally guarantees to the City of Scranton, a city of the Second Class A, a municipal corporation, organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter the "City") the due performance, including, but not limited to, the prompt payment when due by the principal debtor, **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, and all of its liabilities to the City as set forth in that certain Loan to Grant Agreement and Promissory Note both dated the same date as this Guaranty concerning a loan from the City to **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, in the amount of One Hundred Forty Thousand Dollars (\$140,000.00).

This Guaranty is a continuing one and shall be effective as binding on the undersigned regardless whether or not all indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the CITY, and such revocation shall not be effective as to indebtedness existing or committed for at the time of actual receipt of such notice by the CITY, or as to any renewals, extensions and re-financings thereof.

The liability of the undersigned hereunder is absolute and unconditional and shall not be affected in any way by reason of (a) any failure to retain or preserve, or the lack of prior enforcement of, any rights against any person or persons (including the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, and any of the undersigned) or in any property; (b) the invalidity of any such rights which may be attempted to be obtained; (c) any delay in enforcing or failure to enforce any such rights even if such rights are thereby lost; or (d) any delay in making demand on the undersigned for performance or payment of the undersigned's obligations hereunder.

The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City including but not limited to notice of the acceptance hereof and reliance hereon, of the present existence or future incurring of any of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City, of the amount, terms and conditions thereof, and of any defaults thereon. The undersigned hereby consents to the taking of, or failure to take, from time to time without notice to the undersigned, any action of any nature whatsoever with respect to the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City and with respect to any rights against any persons or persons (including the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, and any of the undersigned) or in any property, including but not being limited to, any renewals, extensions, modifications, postponements, compromises, indulgences, waivers, surrenders, exchanges and releases, and the undersigned will remain fully liable hereunder notwithstanding any of the foregoing; provided, however, that the granting of a release of the liability hereunder of less than all of the undersigned shall be effective with respect to the liability hereunder of the one or more who are specifically so released but shall in no way affect the liability hereunder of any other of the undersigned not so released. The death or incapacity of any of the undersigned shall in no way affect the liability hereunder of any other of the undersigned. The undersigned hereby waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder, including without limitation (a) all defenses whatsoever to the undersigned's liability hereunder except the defense of payments made on account of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City and (b) all right to stay of execution and exemption of property in any action to enforce the liability of the undersigned hereunder.

If any default shall be made in the payment of any indebtedness, the undersigned hereby agrees to pay the same to the extent above specified (a) without requiring protest or notice of nonpayment or notice of default to the undersigned, to the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, or to any other person; (b) without proof of demand; (c) without requiring City to resort first to the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, or to any other guaranty or any collateral which City may hold; (d) without requiring any notice of acceptance hereof or assent hereto by City; and (e) without requiring notice that any indebtedness has been incurred, all of which the undersigned hereby waives. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth herein, the undersigned also agrees to pay to the City on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City or the liability of the undersigned hereunder.

If any of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City are not duly performed, including the prompt payment when due of any amount payable hereon, all the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City shall, at the City's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

Confession of Judgment. This Guaranty contains a warrant of attorney authorizing any Prothonotary, Clerk of Court, attorney of any court of record and/or the City (as well as someone acting for City) to appear for, and confess judgment(s) against Guarantor, without any prior notice or an opportunity to be heard. Subparagraph (a) below also permits City to execute upon the confessed judgment(s) which could have the effect of depriving Guarantor of his property without any prior notice

or an opportunity to be heard. Guarantor hereby acknowledges that he has consulted with an attorney regarding the implications of these provisions and Guarantor understands that he is bargaining away several important legal rights. Accordingly, Guarantor hereby knowingly, intentionally, voluntarily and unconditionally waives any and all rights that he may have under the constitution and/or laws of the United States of America and the Commonwealth of Pennsylvania to prior notice and/or an opportunity for hearing with respect to both the entry of such confessed judgment(s) and any subsequent attachment, levy or execution thereon.

(a) CONFESSION OF JUDGMENT. GUARANTOR COVENANTS AND AGREES THAT UPON THE OCCURRENCE OF AN EVENT OF DEFAULT BY ("RIZZO-FRYZEL DENTAL GROUP, PLLC, DBA ELECTRIC CITY DENTISTRY,") CITY MAY, WITHOUT LIMITATION, CAUSE JUDGMENTS FOR MONEY TO BE ENTERED AGAINST GUARANTOR AND, FOR THOSE PURPOSES, GUARANTOR HEREBY GRANTS THE FOLLOWING WARRANT OF ATTORNEY: (I) GUARANTOR HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR CITY (AS WELL AS SOMEONE ACTING FOR CITY) IN ANY AND ALL ACTIONS COMMENCED AGAINST GUARANTOR FOR RECOVERY OF THE PRINCIPAL AND INTEREST ON RIZZO-FRYZEL DENTAL GROUP, PLLC, DBA ELECTRIC CITY DENTISTRY LOAN AND/OR OTHER AMOUNTS TO BE PAID TO CITY BY GUARANTOR AND TO APPEAR FOR GUARANTOR, AND ASSESS DAMAGES AND CONFESS OR OTHERWISE ENTER JUDGMENT AGAINST GUARANTOR, FOR PRINCIPAL AND INTEREST ON RIZZO-FRYZEL DENTAL GROUP, PLLC, DBA ELECTRIC CITY DENTISTRY LOAN AND/OR OTHER AMOUNTS TO BE PAID TO CITY BY GUARANTOR, TOGETHER WITH INTEREST AT THE LEGAL RATE, COSTS AND AN ATTORNEYS' COMMISSION EQUAL TO THE GREATER OF \$5,000 OR FIFTEEN PERCENT (15%) OF THE FULL AMOUNT OWED; AND THEREUPON WRITS OF EXECUTION MAY FORTHWITH ISSUE AND BE SERVED, WITHOUT ANY PRIOR NOTICE, WRIT OR PROCEEDING WHATSOEVER; AND (II) THE WARRANT OF ATTORNEY HEREIN GRANTED SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF BUT SUCCESSIVE ACTIONS MAY BE COMMENCED AND SUCCESSIVE JUDGMENTS MAY BE CONFESSED OR OTHERWISE ENTERED AGAINST GUARANTOR FROM TIME TO TIME AS OFTEN AS ANY AMOUNTS AND SUMS SHALL FALL OR BE DUE OR PAYABLE, AND THIS WARRANT OF ATTORNEY MAY BE EXERCISED AFTER THE TERMINATION OR EXPIRATION OF THE LOAN TERM AND/OR DURING OR AFTER ANY EXTENSIONS OF THE LOAN TERM OR RENEWALS THEREOF.

Dr. Mary Grace Rizzo-Fryzel DMD,
DATE:_____

So long as the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** liabilities to City have not been paid in full, no payment by the undersigned pursuant to the provisions hereof shall entitle the undersigned, by subrogation, to the rights of the City or otherwise, to any payment by the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** or out of the property of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**.

A subsequent Guaranty by the undersigned or any other guarantor of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** liabilities to City shall not be deemed to be in lieu of or to supersede or terminate this Guaranty but shall be construed as an additional or supplementary guaranty unless otherwise expressly provided therein; and in the event the undersigned or any other guarantor has given to the City a previous guaranty or guaranties, this guaranty shall be construed to be an additional or supplementary guaranty, and not to be in lieu thereof or to terminate such previous guaranty or guaranties unless expressly so provided herein.

This Guaranty shall inure to the benefit of the City, its successors, assigns, endorsers and any person or persons, including any institution or institutions, to whom the City may grant any interest in the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** liability to City or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, successors, assigns and other legal representatives.

It is expressly agreed by the Guarantor and City that in any action or proceeding brought by the Guarantor or otherwise commenced against City arising out of or based upon any provision of this Guaranty the Guarantor,

jointly and/or severally for the undersigned, and the Guarantor's heirs, Executors, Administrators, Successors and Assigns hereby waives any right to trial of any issue of fact by jury, whether such trial by jury is provided for by law, equity or applicable rule of civil procedure

The Guarantor intends this to be a sealed instrument and to be legally bound hereby. All issues arising hereunder shall be governed by the Laws of Pennsylvania.

IN WITNESS WHEREOF, intending to be legally bound, the Guarantor has duly caused this Guaranty to be duly signed the day and year first above written.

Dr. Mary Grace Rizzo-Fryzel DMD,

DATE

Commonwealth of Pennsylvania)

ss:

County of Lackawanna)

On this, the _____ day of _____ 2019, before me, a Notary Public, the undersigned Officer, personally appeared **Dr. Mary Grace Rizzo-Fryzel DMD**, known to me (or satisfactorily proven) to be the person whose name is are subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In Witness Where, I hereunto set my hand and official seal.

Title of Officer

GUARANTY

Pursuant to this Guaranty dated the ____ day of _____, **2019** the undersigned, **David Fryzel** (GUARANTOR) 30 Birch Hill Road, South Abington TWP Pa 18411, hereby unconditionally guarantees to the City of Scranton, a city of the Second Class A, a municipal corporation, organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter the "City") the due performance, including, but not limited to, the prompt payment when due by the principal debtor, **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, and all of its liabilities to the City as set forth in that certain Loan to Grant Agreement and Promissory Note both dated the same date as this Guaranty concerning a loan from the City to **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** in the amount of One Hundred Forty Thousand Dollars (\$140,000.00).

This Guaranty is a continuing one and shall be effective as binding on the undersigned regardless whether or not all indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the CITY, and such revocation shall not be effective as to indebtedness existing or committed for at the time of actual receipt of such notice by the CITY, or as to any renewals, extensions and re-financings thereof.

The liability of the undersigned hereunder is absolute and unconditional and shall not be affected in any way by reason of (a) any failure to retain or preserve, or the lack of prior enforcement of, any rights against any person or persons (including the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, and any of the undersigned) or in any property; (b) the invalidity of any such rights which may be attempted to be obtained; (c) any delay in enforcing or failure to enforce any such rights even if such rights are thereby lost; or (d) any delay in making demand on the undersigned for performance or payment of the undersigned's obligations hereunder.

The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City including but not limited to notice of the acceptance hereof and reliance hereon, of the present existence or future incurring of any of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City, of the amount, terms and conditions thereof, and of any defaults thereon. The undersigned hereby consents to the taking of, or failure to take, from time to time without notice to the undersigned, any action of any nature whatsoever with respect to the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City and with respect to any rights against any persons or persons (including the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, and any of the undersigned) or in any property, including but not being limited to, any renewals, extensions, modifications, postponements, compromises, indulgences, waivers, surrenders, exchanges and releases, and the undersigned will remain fully liable hereunder notwithstanding any of the foregoing; provided, however, that the granting of a release of the liability hereunder of less than all of the undersigned shall be effective with respect to the liability hereunder of the one or more who are specifically so released but shall in no way affect the liability hereunder of any other of the undersigned not so released. The death or incapacity of any of the undersigned shall in no way affect the liability hereunder of any other of the undersigned. The undersigned hereby waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder, including without limitation (a) all defenses whatsoever to the undersigned's liability hereunder except the defense of payments made on account of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City and (b) all right to stay of execution and exemption of property in any action to enforce the liability of the undersigned hereunder.

If any default shall be made in the payment of any indebtedness, the undersigned hereby agrees to pay the same to the extent above specified (a) without requiring protest or notice of nonpayment or notice of default to the undersigned, to the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, or to any other person; (b) without proof of demand; (c) without requiring City to resort first to the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, or to any other guaranty or any collateral which City may hold; (d) without requiring any notice of acceptance hereof or assent hereto by City; and (e) without requiring notice than any indebtedness has been incurred, all of which the undersigned hereby waives. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth herein, the undersigned also agrees to pay to the City on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City or the liability of the undersigned hereunder.

If any of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City are not duly performed, including the prompt payment when due of any amount payable hereon, all the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry**, liabilities to City shall, at the City's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

Confession of Judgment. This Guaranty contains a warrant of attorney authorizing any Prothonotary, Clerk of Court, attorney of any court of record and/or the City (as well as someone acting for City) to appear for, and confess judgment(s) against Guarantor, without any prior notice or an opportunity to be heard. Subparagraph (a) below also permits City to execute upon the confessed judgment(s) which could have the effect of depriving Guarantor of his property without any prior notice or an opportunity to be heard. Guarantor hereby acknowledges that he

has consulted with an attorney regarding the implications of these provisions and Guarantor understands that he is bargaining away several important legal rights. Accordingly, Guarantor hereby knowingly, intentionally, voluntarily and unconditionally waives any and all rights that he may have under the constitution and/or laws of the United States of America and the Commonwealth of Pennsylvania to prior notice and/or an opportunity for hearing with respect to both the entry of such confessed judgment(s) and any subsequent attachment, levy or execution thereon.

(a) CONFESSION OF JUDGMENT. GUARANTOR COVENANTS AND AGREES THAT UPON THE OCCURRENCE OF AN EVENT OF DEFAULT BY ("ELECTRIC CITY DENTISTRY,") CITY MAY, WITHOUT LIMITATION, CAUSE JUDGMENTS FOR MONEY TO BE ENTERED AGAINST GUARANTOR AND, FOR THOSE PURPOSES, GUARANTOR HEREBY GRANTS THE FOLLOWING WARRANT OF ATTORNEY: (I) GUARANTOR HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR CITY (AS WELL AS SOMEONE ACTING FOR CITY) IN ANY AND ALL ACTIONS COMMENCED AGAINST GUARANTOR FOR RECOVERY OF THE PRINCIPAL AND INTEREST ON ELECTRIC CITY DENTISTRY LOAN AND/OR OTHER AMOUNTS TO BE PAID TO CITY BY GUARANTOR AND TO APPEAR FOR GUARANTOR, AND ASSESS DAMAGES AND CONFESS OR OTHERWISE ENTER JUDGMENT AGAINST GUARANTOR, FOR PRINCIPAL AND INTEREST ON ELECTRIC CITY DENTISTRY LOAN AND/OR OTHER AMOUNTS TO BE PAID TO CITY BY GUARANTOR, TOGETHER WITH INTEREST AT THE LEGAL RATE, COSTS AND AN ATTORNEYS' COMMISSION EQUAL TO THE GREATER OF \$5,000 OR FIFTEEN PERCENT (15%) OF THE FULL AMOUNT OWED; AND THEREUPON WRITS OF EXECUTION MAY FORTHWITH ISSUE AND BE SERVED, WITHOUT ANY PRIOR NOTICE, WRIT OR PROCEEDING WHATSOEVER; AND (II) THE WARRANT OF ATTORNEY HEREIN GRANTED SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF BUT SUCCESSIVE ACTIONS MAY BE COMMENCED AND SUCCESSIVE JUDGMENTS MAY BE CONFESSED OR OTHERWISE ENTERED AGAINST GUARANTOR FROM TIME TO TIME AS OFTEN AS ANY AMOUNTS AND SUMS SHALL FALL OR BE DUE OR PAYABLE, AND THIS WARRANT OF ATTORNEY MAY BE EXERCISED AFTER THE TERMINATION OR EXPIRATION OF THE LOAN TERM AND/OR DURING OR AFTER ANY EXTENSIONS OF THE LOAN TERM OR RENEWALS THEREOF.

David Fryzel,

DATE: _____

So long as the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** liabilities to City have not been paid in full, no payment by the undersigned pursuant to the provisions hereof shall entitle the undersigned, by subrogation, to the rights of the City or otherwise, to any payment by the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** or out of the property of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** .

A subsequent Guaranty by the undersigned or any other guarantor of the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** liabilities to City shall not be deemed to be in lieu of or to supersede or terminate this Guaranty but shall be construed as an additional or supplementary guaranty unless otherwise expressly provided therein; and in the event the undersigned or any other guarantor has given to the City a previous guaranty or guaranties, this guaranty shall be construed to be an additional or supplementary guaranty, and not to be in lieu thereof or to terminate such previous guaranty or guaranties unless expressly so provided herein.

This Guaranty shall inure to the benefit of the City, its successors, assigns, endorsers and any person or persons, including any institution or institutions, to whom the City may grant any interest in the **Rizzo-Fryzel Dental Group, PLLC, dba Electric City Dentistry** liability to City or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, successors, assigns and other legal representatives.

It is expressly agreed by the Guarantor and City that in any action or proceeding brought by the Guarantor or otherwise commenced against City arising out of or based upon any provision of this Guaranty the Guarantor, jointly and/or severally for the undersigned, and the Guarantor's heirs, Executors, Administrators, Successors and Assigns hereby waives any right to

trial of any issue of fact by jury, whether such trial by jury is provided for by law, equity or applicable rule of civil procedure.

The Guarantor intends this to be a sealed instrument and to be legally bound hereby. All issues arising hereunder shall be governed by the Laws of Pennsylvania.

IN WITNESS WHEREOF, intending to be legally bound, the Guarantor has duly caused this Guaranty to be duly signed the day and year first above written.

David Fryzel,

DATE

Commonwealth of Pennsylvania)

ss:

County of Lackawanna)

On this, the _____ day of _____ 2019, before me, a Notary Public, the undersigned Officer, personally appeared **David Fryzel**, known to me (or satisfactorily proven) to be the person whose name is ~~are~~ subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In Witness Where, I hereunto set my hand and official seal.

Title of Officer



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 7, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED


NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS FOR THE CITY OF SCRANTON TO ENTER INTO A LOAN TO GRANT AGREEMENT AND MAKE A LOAN/GRANT FROM THE CITY OF SCRANTON'S BUSINESS AND INDUSTRY LOAN TO GRANT PROGRAM, PROJECT NO.150.45 IN AN AMOUNT NOT TO EXCEED \$140,000.00 TO RIZZO-FRYZEL DENTAL GROUP, PLLC, DBA (ELECTRIC CITY DENTISTRY) TO ASSIST AN ELIGIBLE PROJECT.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A MULTI-BRIDGE ("BRIDGE BUNDLING") PROJECTS AGREEMENT BY AND BETWEEN THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE DEPARTMENT OF TRANSPORTATION ("DEPARTMENT") AND THE CITY OF SCRANTON ("CITY OF SCRANTON") FOR COMMONWEALTH'S PERFORMANCE OF CITY OF SCRANTON-OWNED BRIDGE PROJECTS.

WHEREAS, the General Assembly enacted Act 89 of 2013 ("Act 89"), 74 Pa.C.S. Chapter 93, which established a bridge bundling program that permits an increased state share of costs for municipalities to use in offsetting the local share of the costs by removing, rehabilitating or replacing eligible bridges. Consequently, up to one hundred percent of the cost of removing, rehabilitating or replacing eligible bridges may be funded with either federal or state funds or a combination of both; and

WHEREAS, the General Assembly of the Commonwealth of Pennsylvania ("General Assembly") has appropriated funds for removal or replacement of eligible bridges under the jurisdiction of local governments. The funds appropriated by the General Assembly reimburse a portion of the costs of bridge projects with the balance of the funding being provided by the local governments. The total project cost is estimated at \$23,400,000, of which the Department shall pay ninety-five percent (95%) of the total costs, and the City is required to provide the remaining five percent (5%) estimated to total \$1,170,000; and

WHEREAS, the City is willing to have the Department assume responsibility for the design and construction of the Project. The Department is willing to assume responsibility for the design and construction of the Project subject to the City assuming jurisdiction over and maintenance responsibility for the completed Project improvements; and

WHEREAS, the Bridges included in the Multi-Bridge Project are the West Lackawanna Avenue Bridge over the railroad, Elm Street Bridge over Lackawanna River, North Main Avenue Bridge over Leggetts Creek, and Parker Street over Lackawanna River.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate city officials are authorized to execute and enter into a Multi-Bridge ("Bridge Bundling") Projects Agreement, Reimbursement Agreement No. 04M173, by and between the Commonwealth of Pennsylvania, acting through the

Department of Transportation ("DEPARTMENT") and the City of Scranton ("CITY OF SCRANTON").

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the Home Rule Charter and Optional Plans Law, and any other applicable law arising under the laws of the State of Pennsylvania.

EFFECTIVE DATE _____
(Department will insert)
COUNTY Lackawanna
LOCAL PROJECT SPONSOR City
of Scranton
DISTRICT ORG CODE 040

REIMBURSEMENT AGREEMENT NO. 04M173
FID NO. 24-60000704
SAP VENDOR NO. 141721
MPMS NO. 7764, 106314, 7911, 80797
RELATED ECMS AGREEMENT NO. E03926

MULTI-BRIDGE ("BRIDGE BUNDLING") PROJECTS AGREEMENT

This Multi-Bridge ("Bridge Bundling") Projects Agreement ("Agreement") is made by and between the Commonwealth of Pennsylvania ("Commonwealth"), acting through the Department of Transportation ("Department"),

and

City of Scranton, a political subdivision of Pennsylvania, acting through its proper officials ("Local Project Sponsor").

BACKGROUND

The General Assembly of the Commonwealth of Pennsylvania ("General Assembly") has appropriated funds for removal or replacement of eligible bridges under the jurisdiction of local governments. The funds appropriated by the General Assembly reimburse a portion of the costs of bridge projects with the balance of the funding being provided by the local governments.

In addition, the General Assembly enacted Act 89 of 2013 ("Act 89"), 74 Pa.C.S. Chapter 93, which established a bridge bundling program that permits an increased state share of costs for municipalities to use in offsetting the local share of the costs by removing, rehabilitating or replacing eligible bridges. Consequently, up to one hundred percent of the cost of removing, rehabilitating or replacing eligible bridges may be funded with either federal or state funds or a combination of both.

The Local Project Sponsor is willing to have the Department assume responsibility for the design and construction of the Project. The Department is willing

to assume responsibility for the design and construction of the Project, subject to the Local Project Sponsor assuming jurisdiction over and maintenance responsibility for the completed Project improvements.

Pursuant to Section 2001.1 of the Administrative Code of 1929, as amended, 71 P.S. § 511.1, the Department has the power to enter into agreements with political subdivisions for any purpose connected in any way with the Department and pursuant to Section 2002(a)(7) of the Administrative Code of 1929, as amended, 71 P.S. § 512(a)(7), has the power to cooperate with political subdivisions in the coordination of plans and policies for the development of commerce and facilities. Pursuant to Section 2305 of the General Local Government Code, as amended, 53 Pa.C.S. § 2305, the Local Project Sponsor can delegate any function, power, or responsibility to another governmental unit upon passage of an ordinance by its governing body.

The parties, intending to be legally bound, agree as follows:

1. GENERAL PROVISIONS

The Department shall perform and complete the design and construction, as outlined in this Agreement, for the Project in accordance with plans, policies, procedures and specifications prepared and/or approved by the Department and with the conditions of this Agreement. The bridges to be included in the Project are set forth on Exhibit A. A total Project cost shall be included in Exhibit A.

2. TRANSFER OF RESPONSIBILITY FOR PROJECT

The Local Project Sponsor shall transfer to the Department all responsibilities for design, design development activities, right-of-way acquisition, utility relocation coordination, contract development, letting and award, construction, construction inspection and all other activities incidental to the design and construction of the Project and to utilize the funds being made available for the Project, to cover the total allowable costs of design, design development activities, construction, construction inspection and

all other activities incidental to the design and construction of the Project. The Local Project Sponsor authorizes the Department and its consultants, subconsultants, contractors, subcontractors and suppliers to enter upon the Local Project Sponsor's property to perform any work necessary for or in furtherance of the Project. Following completion of Project construction, the Local Project Sponsor shall assume jurisdiction over and maintenance responsibility for the improvements, as specified below in Section 15.

3. **TERM OF AGREEMENT**

The term of this Agreement shall commence on the Effective Date (as defined below) and shall remain in effect until terminated by either party as defined in this Agreement. The Effective Date shall be the date that this Agreement is fully executed by the Local Project Sponsor and the Department and all approvals required by Commonwealth contracting procedures have been obtained, as indicated by the date of the last Commonwealth signature. Following full execution, the Commonwealth will insert the Effective Date at the top of Page 1.

4. **DESIGN**

(a) **The Department Design Requirements.** The Department, with its own forces or by contract, shall design the Project. The design shall be in accordance with plans, policies, procedures and specifications prepared or approved by the Department, including, but not limited to, the most current editions of the following documents:

- (1) The Department Design Manuals (Publication Nos. 10, 10A, 10B, 10C, 10X, 13M, 14M, 15M, 16 and 24);
- (2) The Department Policy Letters;

- (3) The Department Form No. 442, *Bureau of Design Specifications for Consultant Agreements*, Division I; and,
 - (4) The Department Publication No. 408, *Specifications*, its amendments and supplements (collectively referred to hereafter as "Publication 408").
- (b) **Approvals, Permits and Licenses.** The Department shall, on behalf of the Local Project Sponsor and in the Local Project Sponsor's name, prepare all applications for necessary approvals, permits and licenses from all other governmental agencies as may be required to complete the Project. This obligation shall include the responsibility for preparing or revising environmental reports or other documents such as environmental impact statements required by law. The Local Project Sponsor shall cooperate with the Department as necessary in applying for the approvals, permits and licenses, shall submit the appropriate permit applications as prepared by the Department and shall be responsible for defense of any environmental litigation resulting from the planning, design or construction of the Project. The Local Project Sponsor shall submit all necessary permits prepared by the Department and shall furnish the Department with copies of any approvals, permits, licenses and approved environmental documents obtained from other agencies or entities.

5. RIGHT-OF-WAY ACQUISITION

The Department certifies that, as delegated to the Department by the Local Project Sponsor pursuant to ordinance, such ordinance to be adopted by the Local Project Sponsor within ninety (90) days of the execution of this Agreement, or by such other legally appropriate procedure as the parties may agree to in advance, the Department shall acquire all right-of-way necessary to construct this Project in accordance with all state laws, policies and procedures pertinent to right-of-way

acquisition; the most current version of the Department Publication No.378, *Right of Way Manual*. The cost of such right-of way shall be an eligible Project cost.

6. UTILITY CONSIDERATIONS

- (a) **Project Plans.** The Department shall furnish Project plans to utilities known to have facilities within the Project limits on both state highways and local roads and to all other utilities subsequently discovered within the Project limits.
- (b) **Relocation or Adjustment of Existing Facilities.** The Department shall be responsible for the necessary arrangements for the relocation or adjustment of any existing utility facilities to be made in the Local Project Sponsor's name and on the Local Project Sponsor's behalf as required by the Project in accordance with the Department's own procedures and applicable guidelines concerning relocation and accommodation of utilities.
- (c) **Local Project Sponsor's Reimbursement Obligation.** If any affected utility claims that the Local Project Sponsor is responsible for reimbursing the affected utility for its utility relocation costs pursuant to applicable state or local laws in effect when this Agreement is executed, the Department shall work with the Local Project Sponsor to obtain Form 4181-A, Preliminary Estimate for Utility Relocation. The utility shall prepare the form, which shall be accompanied by documentation justifying the Local Project Sponsor's legal obligation to reimburse the utility for utility relocation costs incurred by the utility. The Department, after review and approval of the cost estimates and documentation, will draft the necessary reimbursement agreement into which the Local Project Sponsor and the utility will enter. The Department shall submit the agreement to the Local Project Sponsor for execution by the parties.

- (d) **Relocation of Local Project Sponsor's Utilities.** If the Local Project Sponsor owns or operates the existing utility facilities, the Local Project Sponsor shall request the Department to prepare an amendment to this agreement to address the costs associated with the relocation of said facilities, if not addressed herein. The amendment shall acknowledge that the relocation costs are Project-eligible costs.
- (e) **Utility Clearance Certification.** Prior to advertising the Project for letting, the Department shall prepare a *Utility Clearance Certification*, Form D-419, attesting that all arrangements have been made for the relocation of all known utility facilities affected by the Project, and which shall include a description of the written arrangements made with each of the utilities for the relocation of facilities in a manner that will not impede Project construction.
- (f) **Accommodation of Utilities.** The Local Project Sponsor acknowledges that all utility facilities transferred to or remaining at a location within the right-of-way of a federal aid highway shall be accommodated in accordance with the most current version of: 23 C.F.R. Part 646; the Federal-Aid Policy Guide Chapter I, Subchapter G, Part 645, Subpart B, *Accommodation of Utilities*, and all subsequent amendments; and, if the utility facilities are being transferred to or remaining at a location within the right-of-way of a state federal-aid highway, 67 Pa Code Chapter 459.
- (g) **Utility Reimbursement.** If the Agreement terminates for lack of activity or failure to complete the Project, as provided in Section 14 of the Agreement, after any utility has been authorized to proceed with its relocation work, the utility shall be reimbursed for its actual and related indirect costs of work completed at the time of termination, plus any additional expenses incurred by the utility in restoring its system to

normal operation conditions.

7. APPLICATION TO PUBLIC UTILITY COMMISSION

The Department, in the name of and on behalf of the Local Project Sponsor, shall, as necessary, prepare such application to the Pennsylvania Public Utility Commission ("PUC") as required for the construction and completion of the Project and provide it to the Local Project Sponsor to submit to the PUC. If the Project is a rail-highway crossing bridge under the jurisdiction of the PUC, the Department and the Local Project Sponsor agree to the following:

- (a) **Railroad Costs Applied to Project.** The Department shall apply any costs contributed voluntarily by a railroad, or allocated to the railroad by the PUC, to help defray the cost of the Project to the Local Project Sponsor's share of the Project cost. If the railroad share exceeds the Local Project Sponsor's share, the excess shall be applied first to the Department's share, if any, and second to the remaining portion of the Project costs.
- (b) **Shared Costs for Railroad.** If the PUC allocates costs to a railroad, and the railroad does not voluntarily agree to contribute the costs allocated to it by the PUC, these costs shall be shared as specified in Section 6 and 8 of this Agreement.
- (c) **Local Project Sponsor Financial Responsibility.** If the PUC allocates costs to the Department in excess of the Department's share or the remaining part of the Project costs identified in subsection (1) above, the Local Project Sponsor shall pay these excess costs.

8. RAILROAD CONSIDERATIONS

The Department shall furnish Project plans to any railroads known to have facilities within the Project limits.

- (a) **Railroad Design Criteria.** The Department shall coordinate with the railroad(s) to determine railroad design criteria, arrange for protective services as needed and determine levels of insurance that will be required for the completion of the Project.
- (b) **The Department Forms.** The Department shall coordinate with the railroad(s) to ensure that the Department forms D-4279 and D-4279A are completed by the railroad(s) and returned to the Department.
- (c) **Railroad Special Provisions.** The Department shall include all railroad special provisions, including, but not limited to, insurance requirements, right-of-entry requirements and private crossing requirements, in the Project bid package.
- (d) **Letter of Adjustment.** If there are railroad costs that are Project eligible, they shall be addressed through either a letter of amendment or a letter of adjustment, as provided in Section 12 of the Agreement.
- (e) **Reimbursement Agreement.** The Department, after review and approval of the cost estimates and documentation, shall draft the necessary reimbursement agreement to be entered into between the Local Project Sponsor and the railroad and will forward the agreement to the Local Project Sponsor for execution. A copy of the executed agreement shall be returned to the Department.

9. **CONTRACT DEVELOPMENT**

The Department shall be responsible for all work involved with contract development, including preparation of all plans, specifications and estimates and bid proposal documents required to bid the Project. All bid documents shall require the contractor to be prequalified by the Department.

10. LETTING AND AWARD

- (a) **Advertisement, Contract Execution and Notice to Proceed.** The Department shall advertise for bids, open bids and, following concurrence by the Local Project Sponsor, award the construction contract to the lowest responsive and responsible bidder in accordance with applicable state and federal laws and requirements, including, but not limited to, Section 512 of the Commonwealth Procurement Code, 62 Pa. C.S. § 512, and the applicable sections of Publication 408. The Department shall execute the contract and issue the notice to proceed.
- (b) **Contractor's Insurance.** The Department shall require its contractor to include the Local Project Sponsor as an additional insured under the contractor's policies providing public liability insurance for bodily injury, including death, and property damage. The amount of such coverage shall be equivalent to the amount of coverage that the Department requires the contractor to maintain for the Department as an additional insured. If the Local Project Sponsor so requests, the Department shall have its contractor, prior to construction, furnish to the Local Project Sponsor a copy of the current certificate of insurance showing the required coverages and provisions.

11. CONSTRUCTION INSPECTION

The Department, with its own forces or by contract, shall provide staff to inspect and supervise adequately all construction work in accordance with the approved plans and specifications, including, but not limited to, Publication 408, to assure that all labor and materials furnished under and by virtue of this Agreement is in strict and complete conformity to these plans and specifications. The Department, in accordance with applicable policies and procedures, shall determine the level of inspection and the number of inspectors required for each project, as well as the qualifications required for

the inspectors. If inspection of the work performed on the Project reveals defects, malfunctions, or other unsuitable, substandard or inadequate conditions, then the Department reserves the right to require it to be reperformed by the contractor at no cost to either the Department or the Local Project Sponsor.

12. PAYMENT PROCEDURES AND RESPONSIBILITIES

(a) **The Department Incurred Costs.** Because the Local Project Sponsor is agreeing to transfer to the Department all responsibility for performance and completion of the design and construction of the Project, as provided above in Section 2, the Department shall access and utilize the federal and state funds authorized and made available for this Project, to cover up to ninety-five percent (95%) of the total allowable Project costs as set forth on Exhibit A and the Local Project Sponsor shall provide the remaining five percent (5%) funding contribution to the Department. The Department-incurred costs being funded under this Agreement shall consist of the following items:

- (1) Allowable costs for work performed by the Department's own forces on the Project.
- (2) Work performed on the Project by the Department's contractor(s) or consultant(s).
- (3) Costs incurred in acquisition of right-of-way, as set forth above in Section 5.
- (4) Costs incurred in relocating utilities, as set forth above in Section 6.

(b) **Local Project Sponsor Contribution.** Upon completion of each phase of the Project for each individual bridge, which includes but is not limited to, Preliminary Engineering, Final Design, Right-of-Way Acquisition, Utility

Coordination, and Construction, the Department shall invoice the Local Project Sponsor for its five percent (5%) contribution for the completed phase of the Project. The Local Project Sponsor shall make payment to the Department within thirty (30) days of receiving the Department's invoice. If the Local Project Sponsor fails to make payment, the Local Project Sponsor shall be in default pursuant to Section 18 below.

- (c) **Design and Construction.** The Department shall manage and administer the design and construction of the Project, including, but not limited to, the processing of invoices for payment, through its Engineering and Construction Management System and in conformance with other the Department policies and procedures governing project management and payment of the Department consultants and contractors.
- (d) **Letter of Adjustment.** Total costs pursuant to this Agreement shall not exceed total dollars set forth in Exhibit A. Any increase or decrease in costs of individual bridges set forth in Exhibit A shall be made at the discretion of the Department. Any increase or decrease to the total cost of this Agreement shall be processed by a letter of adjustment with notification to the Local Project Sponsor, with appropriate copies provided to necessary Commonwealth fiscal personnel. A sample letter of adjustment is attached as Exhibit B. Adequate funds must be available for any upward adjustment in the amount of total funds for the Project.
- (e) **Letter of Amendment.** Any change in the bridges to be included in the Project, as identified in Exhibit A, shall be processed by a letter of amendment. A letter of amendment shall not be effective until signed and dated by duly authorized representatives of the Local Project Sponsor, the Department, the Department's Office of Chief Counsel, and the Office of Comptroller Operations. A sample letter of amendment is attached

hereto as Exhibit C. If the change in identified bridges results in an increase in Project costs, adequate funds must be available before the parties may execute a letter of amendment, specifying a new bridge list and new total cost for this Agreement.

- (f) **Project Exceeds the Costs.** If the costs of the Project exceed the available funds, the Department reserves the right to modify the scope of the Project, subject to the approval of the Local Project Sponsor, as set forth in subsection (e) above.
- (g) **Extra Work.** The Department shall not provide any additional or extra work done or materials furnished, not specifically provided for in the approved plans and specifications, unless the Department, at the Local Project Sponsor's request, has first approved such additional or extra work or materials in writing.
- (h) **Standard Provision Updated.** If there are changes to any Standard Provisions that need to be addressed at the time of a letter of amendment, as described in subsection (d), the parties can incorporate those updated Standard Provisions by noting the incorporation and attachment of such Standard Provisions to such letter of amendment. For the purposes of this subsection, Standard Provisions consist of those provisions, exhibits or clauses required to be included in Commonwealth agreements pursuant to federal or state law or Commonwealth Management Directives, including, but not limited to: Americans with Disabilities Act, Right-to-Know Law, Contractor Integrity, Contractor Responsibility, Offset, Federal Nondiscrimination, Commonwealth Nondiscrimination/Sexual Harassment, Disadvantaged Business Enterprise Regulatory Compliance Requirements, Disadvantaged Business Enterprise Assurance, Lobbying, Federal Funding Accountability and Transparency Act, and Federal Audit

Requirements. Changes that would otherwise require only a letter of adjustment as detailed in subsection (d) will need a letter of amendment as detailed in subsection (a) if one of these Standard Provisions needs updating.

- (i) **Amendments and Modifications.** All other changes to terms and conditions of this Agreement must be in the form of a fully executed formal amendment signed by the same entities that executed this Agreement.

13. STATUS REPORTS

The Department, if requested by the Local Project Sponsor or as the Department otherwise deems appropriate, shall inform the Local Project Sponsor periodically of the status of the Project. Examples of the information that the Department may provide are: the amount of work completed, the amount of work remaining to be done, the costs incurred and payments made by the Department, and any problems encountered during the course of work.

14. ABANDONMENT OR POSTPONEMENT OF PROJECT

- (a) **Termination.** If the Local Project Sponsor wants the Project abandoned or indefinitely postponed, it may terminate this Agreement by sending the Department a thirty- (30-) day written notice of termination. By sending the written notice of termination, the Local Project Sponsor acknowledges that the federal funding will not participate in any costs of a project that is not completed, and that the Local Project Sponsor must reimburse the Department for all costs incurred by the Department for the Project. The Local Project Sponsor shall reimburse the Department, within forty-five (45) days of receipt of a statement from the Department, in an amount equal to all costs incurred by the Department under this Agreement prior

to receipt of the notice of termination.

- (b) **Failure to Reimburse.** If the Local Project Sponsor fails to reimburse the Department within the period specified above in subsection (a), the Local Project Sponsor shall be in default pursuant to Section 18 below.

15. **MAINTENANCE AND OPERATION OF FACILITY**

- (a) **Maintenance Program.** The Local Project Sponsor, at its sole cost and expense, shall operate and maintain all of the completed improvements financed under this Agreement that fall within its jurisdiction. All stormwater and drainage facilities constructed or improved in connection with the Project are within the Local Project Sponsor's jurisdiction. The Local Project Sponsor shall establish a formalized maintenance program to ensure an acceptable level of physical integrity and operation consistent with original design standards. The Local Project Sponsor certifies that it shall make available sufficient funds to provide for the described maintenance program. This maintenance program shall include, but not be limited to, the following activities:

- (i) Periodic inspections in accordance with National Bridge Inspection Standards;
- (ii) Appropriate preventative maintenance;
- (iii) A systematic record-keeping system; and
- (iv) A means to handle the notification and implementation of emergency repairs.

- (b) **Disqualification of Future Projects.** The Local Project Sponsor acknowledges that the Department may disqualify the Local Project Sponsor from future federal-aid or state participation on Local Project

Sponsor-maintained projects if the Local Project Sponsor fails to:

- (i) Provide for the proper maintenance and operation of the completed improvements; or
 - (ii) Maintain and enforce compliance with any statutes, regulations ordinances or permits necessary for the operation of the improvements under its jurisdiction.
- (c) **Withholding Funds.** The Local Project Sponsor acknowledges that the Department shall withhold federal-aid or state funds, or both, until one or both of the following (as applicable) have taken place:
 - (i) The Local Project Sponsor has corrected the maintenance and operation services to a condition of maintenance and operation satisfactory to the Department.
 - (ii) The Local Project Sponsor has brought traffic operations on the improvements, including enforcement of statutes, regulations or ordinances, up to a level satisfactory to the Department.
- (d) **Traffic Control Devices.** The Local Project Sponsor shall comply with all applicable statutes and regulations relating to traffic control devices, including, but not limited to, 75 Pa. C.S. § 6109 and 67 Pa. Code § 212.5.
- (e) **Reimbursement of Maintenance Costs.** This Agreement is without prejudice to the right of the Local Project Sponsor to receive reimbursement for maintenance costs from any railroad or party other than the Department, if so ordered by the PUC, where a rail-highway crossing bridge is under the jurisdiction of the PUC.

16. INDEMNIFICATION

The Local Project Sponsor shall indemnify and (if requested) defend the Commonwealth of Pennsylvania, the Department, the FHWA (if applicable) and all of their officers, agents and employees from all suits, actions or claims of any character, name or description, including, but not limited to, those in eminent domain or otherwise relating to title to real property, brought for or on account of any injuries or damages received or sustained by any person, persons or property, arising out of, resulting from or connected with the occupancy, use, operation, maintenance and/or any other activities, following completion and final inspection and acceptance by the Department and by the Local Project Sponsor of the Project or the improvements that it comprises, by the Local Project Sponsor and/or its officers, agents and employees, whether the same be due to defective materials, defective workmanship, neglect in safeguarding the work, or by or on account of any act, omission, neglect or misconduct of the Local Project Sponsor and/or its officers, agents and employees, during the performance of the work or thereafter, or to any other cause whatever.

17. NO THIRD-PARTY BENEFICIARIES

This Agreement shall not be construed for the benefit of any person or political subdivision not a party to this Agreement, nor shall this Agreement be construed to authorize any person or political subdivision not a party to this Agreement to maintain a lawsuit on or under this Agreement.

18. WITHHOLDING OF LIQUID FUELS FUNDS

If the Local Project Sponsor shall fail to perform any of the terms, conditions or provisions of the Agreement, including, but not limited to, any default of payment for a period of forty-five (45) days, the Local Project Sponsor authorizes the Department to withhold so much of the Local Project Sponsor's Liquid Fuels Tax Fund allocation as may be necessary to complete the Project or reimburse the Department in full for all

costs due hereunder; and the Local Project Sponsor does hereby and herewith authorize the Department to withhold such amount and to apply such funds, or portion thereof, to remedy such default.

19. **REQUIRED CONTRACT PROVISIONS**

All designs, plans, specifications, estimates of cost, construction, utility relocation work, right-of-way acquisition procedures, acceptance of the work and procedures in general, shall at all times conform to all applicable federal and state laws, rules, regulations orders and approvals, including specifically the procedures and requirements relating to labor standards, wages, equal employment opportunity, nondiscrimination, sexual harassment, contractor integrity, contractor responsibility, offset of state tax liability and other obligations to the Commonwealth, compliance with the Americans with Disabilities Act, antisolicitation, information, reporting provisions, and if federal funds are used on the project, auditing requirements.

20. **RIGHT TO KNOW LAW**

The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101–3104, applies to this Agreement. Therefore, this Agreement is subject to, and the Local Project Sponsor shall comply with, the clause entitled *Contract Provisions – Right to Know Law*, attached as Exhibit D. As used in this exhibit, the term “Contractor” refers to the Local Project Sponsor.

21. **FEDERAL PROVISIONS**

If federal funds are used for this Project, the Local Project Sponsor shall comply, and shall cause its consultant(s) and contractor(s) to comply, with the provisions referenced in this section. As used in these provisions, the term “Contractor” or “Grantee” or “Subrecipient” means the Local Project Sponsor.

- (a) **Lobbying Certification:** Public Law 101-121, § 319, 31 U.S.C. § 1352, prohibits the recipient or any lower tier subrecipients of a federal contract,

grant, loan or cooperative agreement from expending federal funds to pay any person for influencing or attempting to influence a federal agency or Congress in connection with the awarding of any federal contract, the making of any federal grant or loan or the entering into of any cooperative agreement. The Local Project Sponsor shall comply with the Lobbying Certification Form attached as Exhibit E, which an authorized official of the Local Project Sponsor has executed.

- (b) **Federal Funding Accountability and Transparency Act:** The Local Project Sponsor shall comply with the Federal Funding Accountability and Transparency Act provisions, attached as Exhibit F.
- (c) **U.S. Department of Transportation Title VI Assurances.** Where the Project is federally funded, the MUNICIPALITY agrees that, as a condition to receiving federal financial assistance from the United States Department of Transportation through the FHWA, it is subject to and will comply with the Standard Title VI/Non -Discrimination Assurances, attached and made part of this Agreement as Exhibit G.

22. **TERMINATION OF AGREEMENT FOR LACK OF FUNDS**

The Department may terminate this Agreement if the Department does not receive the necessary federal or state funds allocated for the purposes stated in this Agreement. The Department shall accomplish any such termination by delivery to the Local Project Sponsor of a notice of termination, specifying the reason for termination and its effective date. Termination shall become effective as of the termination date specified in the Department's written notice of termination to the Local Project Sponsor specifying the reason for termination. The Department shall be compensated from the funds provided for the Project for all eligible work performed under this Agreement up to the date of the notice of termination, or such other date that the notice of termination

shall specify.

23. ORDINANCES AND RESOLUTIONS

The Local Project Sponsor shall enact any ordinances and adopt any resolutions, including, but not limited to, ordinances necessary to authorize The Department to act on the Local Project Sponsor's behalf with respect to acquisition of rights-of-way or applications to the PUC, as may be necessary to accomplish the purposes of this Agreement.

24. INTEGRATION CLAUSE

Upon execution, this document, together with all exhibits and attachments annexed hereto, shall constitute the entire understanding between the parties. All prior or contemporaneous agreements are hereby merged into this document. No amendment or modification of this document shall be valid unless it is in writing and duly executed and approved by the parties.

25. TITLES NOT CONTROLLING

Titles of the sections are for reference only, and shall not be used to construe the language in this Agreement.

26. SEVERABILITY

The provisions of this Agreement shall be severable. If any phrase, clause, sentence or provision of this Agreement is declared to be contrary to the Constitution of Pennsylvania or the United States or of the laws of the Commonwealth of Pennsylvania the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this Agreement, and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby.

27. NO WAIVER

Either party may elect not to enforce its rights and remedies under this Agreement in the event of a breach by the other party of any term or condition of this Agreement. In any event, the failure by any party to enforce its rights and remedies under this Agreement shall not be construed as a waiver of any subsequent breach of the same or any other term or condition of this Agreement.

28. OFFSET PROVISION

The Local Project Sponsor agrees that the Commonwealth of Pennsylvania may set off the amount of any state tax liability or other obligations of the Local Project Sponsor or its subsidiaries that is owed to the Commonwealth of Pennsylvania against any payments due the Local Project Sponsor under this or any other contract with the Commonwealth of Pennsylvania.

29. CHOICE OF LAW

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to conflict of law provisions).

30. INDEPENDENCE OF THE PARTIES

It is understood by and between the Parties that nothing contained herein is intended or shall be construed to, in any respect, create or establish the relationship of partners between Local Project Sponsor and The Department, or as constituting The Department as the representative or general agent of Local Project Sponsor for any purpose whatsoever.

31. ASSIGNMENT

This Agreement may not be assigned by the Local Project Sponsor, either in

whole or in part, without the written consent of The Department.

32. NOTICES

All notices and reports arising out of, or from, the provisions of this Agreement shall be in writing and given to the Parties at the following address, either by regular mail, e-mail, or delivery in person.

If to The Department:

Pennsylvania Department of Transportation
Engineering District 4-0
Attention: Jennifer Borino
55 Keystone Industrial Park
Dunmore, PA 18512
susawillia@pa.gov

If to the Local Project Sponsor

City of Scranton
Attention: Jessica Eskra, Esquire
340 North Washington Avenue
Scranton, PA 18503
jeskra@scrantonpa.gov

33. FORCE MAJEURE

Neither party shall be liable for failure to perform under this Agreement, as supplemented, if such failure to perform arises out of causes beyond the control and without the fault or negligence of the nonperforming party. Such causes may include, but are not limited to, acts of God or the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, and unusually severe weather. This provision shall become effective only if the party failing to perform immediately notifies the other party of the extent and nature of the problem, limits delay in performance to that required by the event, and takes all reasonable steps to minimize

delays. This provision shall not be effective unless the failure to perform is beyond the control and without the fault or negligence of the nonperforming party.

[The remainder of this page is intentionally left blank.]

The parties have executed this Agreement to be effective as of the date of the last signature affixed below.

*LOCAL PROJECT SPONSOR

BY: _____
Title: _____ DATE

*Unless the individuals signing this Agreement on behalf of the Local Project Sponsor are authorized to do so by statute or regulation, the Local Project Sponsor's resolution authorizing execution and attestation must accompany this Agreement; please indicate the signers' titles in the blanks provided and date all signatures.

DO NOT WRITE BELOW THIS LINE--FOR COMMONWEALTH USE ONLY

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

BY _____
Deputy Secretary or Designee DATE

APPROVED AS TO LEGALITY
AND FORM

BY _____
for Chief Counsel DATE

BY _____
for Comptroller Operations DATE

BY: _____
Deputy General Counsel DATE

BY: _____
Deputy Attorney General DATE

Encumbrance No. _____

18-AT-59.0-007

Agreement No. 04M173 is split 80%, expenditure amount of \$18,720,000.00, for federal funds and 20%, expenditure amount of \$4,680,000.00 for state funds. Funding shall be provided by use of appropriation for Local Project Sponsor paid directly to STATE. The related federal assistance program name and number is Surface Transportation Plan; Z240. The state assistance program name and number is State Bridge Funds-Local; 183. This paragraph does not affect the costs to the Local Project Sponsor. In the event this paragraph is altered in particular work orders to reflect changes in program names or numbers, the work order shall provide a

CITY OF SCRANTON

ATTEST:

BY: _____
Lori Reed, City Clerk

Date: _____

BY: _____
William L. Courtright, Mayor

Date: _____

BY: _____
Roseann Novembrino, City Controller

Date: _____

APPROVED AS TO FORM:

BY: _____
Jessica L. Eskra, Esq., City Solicitor

Date: _____

paragraph cataloguing this type of information.

**BRIDGES INCLUDED IN MULTI-BRIDGE PROJECT-
CITY OF SCRANTON "EXHIBIT A"**

Action	MPMS	BRKEY	BMS ID	Intersecting Feature	Construction	Design
Replace	7764	20895	35730212110002	Conrail	\$6,900,000.00	\$1,500,000.00
Replace	106314	20888	35730205130005	Lackawanna River	\$4,700,000.00	\$900,000.00
Replace	7911	20899	35730214140000	Leggetts Creek	\$2,500,000.00	\$900,000.00
Replace	80797	20905	35730216110001	Lackawanna River	\$5,000,000.00	\$1,000,000.00
TOTAL					19,100,000.00	4,300,000.00

Design costs also reflect Right of Way and Utility costs

SAMPLE LETTER OF ADJUSTMENT

Date
Municipality Name
ATTN: Contact
Address
City, State Zip

Re: Amendment (Amendment Number Designation)
Agreement # (Contract Number)

Dear Local Project Sponsor(s):

Per the terms of the subject agreement, the Department will redistribute the costs in the current Estimated Project Cost Exhibit, with no change in the total Project costs, by increasing/decreasing the costs of the phases within the project as shown below and as further detailed in the attached Exhibit " ", which replaces the current exhibit.

	Current Total Phase Costs	New Total Phase Costs
Preliminary Engineering	\$	\$
Final Design	\$	\$
Utilities	\$	\$
Right-of-Way	\$	\$
Construction	\$	\$
TOTAL PROJECT COST	\$	\$

All terms and conditions of the agreement and its amendments (if any) not affected by this letter of adjustment remain in full force and effect.

If you have any concerns of the redistribution of costs, please contact us within ten (10) days of this notice; otherwise, the redistribution will be processed as detailed above.

This letter of adjustment is not effective until the Office of Comptroller Operations signs and dates this letter of adjustment. The Department will forward a copy of the fully executed letter of adjustment for your files.

Sincerely,

Project Manager

(Asst.) District Executive Date

Office of Comptroller Operations Date

Reimbursement Amendment No. is split %, expenditure amount of for federal funds
and %, expenditure amount of for state funds. The related federal assistance program and number is
; . The state assistance program name and number is ; .

Exhibit B

SAMPLE LETTER OF AMENDMENT

Date

Municipality/Contractor Name

ATTN: Contact

Address

City, State Zip

Re: Amendment (Amendment Letter Designation)
Agreement # (Contract Number)

Dear : (Mr./Ms. Name)

Per the terms of the subject agreement, the Department is willing to amend the terms by increasing the total project costs from \$ (current dollar amount) to \$ (new dollar amount), as shown in the attached Exhibit " ." This amendment will become effective once all required signatures are affixed to this document.

We are requesting your concurrence as to the amendment of the above referenced agreement. If you agree to the amendment, please indicate below by signing and noting your title where indicated. Please attach a resolution verifying your authorization to sign this letter of amendment.

IF APPLICABLE: Since the date of the Original Agreement, some standard provisions and accompanying exhibits have been updated; copies of these updated Exhibits are attached hereto and hereby supersede and replace the corresponding exhibit attached to the Original Agreement.

Your response is required no later than (Date).

On behalf of the above-named Municipality, I agree to the amendment of the above referenced agreement. I agree to all terms and conditions included in the subject agreement and all previous amendments thereto, if any.

Signature:

Title:

All terms and conditions of the agreement and its amendments (if any) not affected by this letter of amendment remain in full force and effect.

This letter of amendment is not effective until the Office of Comptroller Operations signs and dates this letter of amendment. The Department will forward a copy of the fully executed letter of amendment for your files.

Sincerely,

Name, Title
Organization

Exhibit C

Approved for Form and Legality:

for Chief Counsel Date

Comptroller Signature Date

Reimbursement Amendment No. is split %, expenditure amount of for federal funds
and %, expenditure amount of for state funds. The related federal assistance program name
and number is ; . The state assistance program name and number is ; .

Sample

Exhibit C

Contractor Responsibility Provisions

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term contractor includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

1. The Contractor certifies, in writing, for itself and its subcontractors required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any such subcontractors, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid/Contract, a written explanation of why such certification cannot be made.

2. The Contractor also certifies, in writing, that as of the date of its execution of this Bid/Contract it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.

3. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the Contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the Contractor, any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.

4. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.

5. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.

6. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the Internet at <http://www.dgs.state.pa.us/> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No: (717) 783-6472
FAX No: (717) 787-9138

LOBBYING CERTIFICATION FORM

(applies only if Agreement is Federally Funded)

[Exhibit needs to be printed, completed offline, and then scanned and attached]

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure of Lobbying Activities, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under *Section 1352, Title 31, U. S. Code*. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.

SIGNATURE: _____

TITLE: _____

DATE: _____

Exhibit E

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

The Subgrantee must complete Federal Funding Accountability and Transparency Act (FFATA) form attached here. This form is to be completed and incorporated as part of this agreement.

Failure to provide accurate information for the Subgrantee named as a party to this agreement or to complete the FFATA form will cause the inability of the Commonwealth to process this grant and resulting in delay or loss of funds to the Subgrantee. The Subgrantee's documentation will be considered incomplete until such time that Subgrantee provides accurate FFATA information.

- (a) Registration and Identification Information – The Subgrantee must maintain current registration in the Central Contractor Registration (www.ccr.gov) at all times during which they have active federal awards funded pursuant to this agreement. A Dun and Bradstreet Data Universal Numbering System (DUNS) Number (www.dnb.com) is one of the requirements for registration in the Central Contractor Registration. Subgrantee must provide its DUNS number, and DUNS + 4 number if applicable, to the Commonwealth along with the signed grant agreement.
- (b) Primary Location - Subgrantee must provide to the Commonwealth the primary location of performance under the award, including the city, State, and zip+4. If performance is to occur in multiple locations, then Subgrantee must list the location where the most amount of the grant award is to be expended pursuant to this grant agreement.
- (c) Compensation of Officers - Subgrantee must provide to the Commonwealth the names and total compensation of the five most highly compensated officers of the entity if:
 - 1. the entity in the preceding fiscal year received—
 - a. 80 percent or more of its annual gross revenues in Federal awards; and
 - b. \$25,000,000 or more in annual gross revenues from Federal awards; and
 - c. the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. If the Subgrantee does not meet the conditions listed above, then it must specifically affirm to the Commonwealth that the requirements of this clause are inapplicable to the Subgrantee. Subgrantee must provide information responding to this question along with Subgrantee's return of the signed grant agreement. The Commonwealth will not process this grant until such time that Subgrantee provides such information responding to this question.

Exhibit F

Federal Funding Accountability and Transparency Act Sub-recipient Data Sheet

Grantee must provide information along with Grantee's return of the signed grant agreement. The Commonwealth will not process the grant until such time that Grantee provides such information.

DUNS NUMBER

DUNS Number:

DUNS Number +4 (if applicable)

[INSTRUCTIONS: Grantee must provide its assigned DUNS number, and DUNS + 4 number if applicable. Grantee must maintain current registration in the Central Contractor Registration (www.ccr.gov) at all times during which they have active federal awards funded pursuant to their sub- grant agreement. A Dun and Bradstreet Data Universal Numbering System (DUNS) Number (www.dnb.com) is one of the requirements for registration in the Central Contractor Registration.]

PRIMARY LOCATION

City:

State:

Zip+4:

[INSTRUCTIONS: Grantee must provide to the Commonwealth the primary location of performance under the award, including the city, State, and zip code including 4-digit extension. If performance is to occur in multiple locations, then Grantee must list the location where the most amount of the grant award is to be expended pursuant to the grant agreement.]

COMPENSATION OF OFFICERS

Officer 1 Name:

Officer 1 Compensation:

Officer 2 Name:

Officer 2 Compensation:

Officer 3 Name:

Officer 3 Compensation:

Officer 4 Name:

Officer 4 Compensation:

Officer 5 Name:

Officer 5 Compensation:

By marking the following box Grantee affirms they do not meet the conditions for reporting highly compensated officials

☐Exhibit F

[INSTRUCTIONS: Grantee must provide to the Commonwealth the names and total compensation of the five most highly compensated officers of the entity if--

(i) the entity in the preceding fiscal year received--

(I) 0 percent or more of its annual gross revenues in Federal awards; and

(II) 0,000 or more in annual gross revenues from Federal awards; and

(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

If the Grantee does not meet the conditions listed above, then it must specifically affirm to the Commonwealth that the requirements of this clause are inapplicable to the Grantee.

Exhibit F

The United States Department of Transportation (US DOT)
Standard Title VI/Non-Discrimination Assurances
DOT Order No. 1050.2A

General Assurance:

"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity," for which the Recipient receives Federal financial assistance from DOT, including the Federal Highway Administration."

Specific Assurance:

"The Commonwealth of Pennsylvania, Department of Transportation, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."

In addition to these assurances, please refer to the attached Appendices A, C, D, and E. Appendices A and E apply to this contract or agreement. Depending upon the nature of the activity, project or program for which Federal financial assistance is being provided under this contract or agreement, Appendices C and D may also apply.

Exhibit G

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Federal Highway Administration, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the Federal Highway Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the nondiscrimination provision of this contract, the Recipient will impose such sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

Exhibit G

APPENDIX C

CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE ACTIVITY, FACILITY, OR PROGRAM

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the Commonwealth of Pennsylvania, Department of Transportation, pursuant to the provisions of Assurance 7(a):

1. The (grantee, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:
 - a. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
2. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Non-discrimination covenants, Commonwealth of Pennsylvania, Department of Transportation, will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*
3. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the Commonwealth of Pennsylvania, Department of Transportation, will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the Commonwealth of Pennsylvania, Department of Transportation, and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

Exhibit C

APPENDIX D

CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by Commonwealth of Pennsylvania, Department of Transportation, pursuant to the provisions Assurance 7(b):

1. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishings of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.
2. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non-discrimination covenants, the Commonwealth of Pennsylvania, Department of Transportation, will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*
3. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, the Commonwealth of Pennsylvania, Department of Transportation will there upon revert to and vest in and become the absolute property of Commonwealth of Pennsylvania, Department of Transportation, and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

Exhibit C

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. §200d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. §4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. §324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. §794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. §6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§12131 – 12189) as implemented by the Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

Exhibit G

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

Exhibit G



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A MULTI-BRIDGE ("BRIDGE BUNDLING") PROJECTS AGREEMENT BY AND BETWEEN THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE DEPARTMENT OF TRANSPORTATION ("DEPARTMENT") AND THE CITY OF SCRANTON ("CITY OF SCRANTON") FOR COMMONWEALTH'S PERFORMANCE OF CITY OF SCRANTON-OWNED BRIDGE PROJECTS.

Respectfully,

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl